Item #	AZ Forms Produced (400-00-1021)
1	AZ 140PY
2	AZ 140A(PYN)
3	AZ 301
4	AZ 331
5	AZ 8453
6	AZ Worksheet (Line 27 and 28) (Not Transmitted)
7	AZ Worksheet (Line 52 of AZ140A(PYN) (Not Transmitted)

Item #	Changes to Federal Pats Test
1	Federal TP SSN to 400-00-7521
2	Federal SP SSN to 400-00-7568
3	City from Faith to Douglas
4	State from NC to AZ
5	Zip Code from 28041-0923 to 85607
6	County from Rowan to Cochise
7	Daytime Phone from null to 520-349-5960
8	Evening Phone from null to 520-524-4838
9	**Current W2 #1** Box 16a = $5,000 Box 17a =124 Box 15b = AZ 0722332 Box 16b = $32,000 Box 17b = $796 Box 15c = $0 Box 16c = $0 Box 17c = $0 Box 15d = $0 Box 16d = $0 Box 17d = $0 Box E = Same as mailing address
10	**Current W2 #2** Box E = Same as mailing address
11	**Current 1065 K1 #1** Charity & Co designated as Arizona income
12	**Current Schedule A** Medical and Dental: $3,800
13	**Current Schedule D** Designated as Arizona income
14	**Current 2106 #1 (Taxpayer)** All Employee Business Expenses were while AZ resident
15	**Dependent information** SSN 400-55-3021 to 400-55-7566 SSN 400-55-4021 to 400-55-7567 SSN 400-55-5021 to 400-55-7568
16	**AZ 140PY** Clean Elections Fund Tax Reduction checked (Taxpayer & Spouse) Dates of AZ Residency 02-14-2004 to 12-31-2004 Other state of Residence = North Carolina
17	**AZ 140A(PYN)** Days a nonresident but had AZ income 45
18	**AZ 331** Part IV, Line 17: a. 2002 b. $40,000 c. $10,000 d. $30,000

ARIZONA FORM 140PY

Part-Year Resident Personal Income Tax Retur

Or fiscal year beginning ______ and ending ______. 66 **2004**

YOUR FIRST NAME AND INITIAL	LAST NAME	YOUR SOCIAL SECURITY NO.
1 TEST L CHARITY		400-00-7521
IF A JOINT RETURN, SPOUSE'S FIRST NAME AND INITIAL	LAST NAME	SPOUSE'S SOCIAL SECURITY NO.
1 MARY B CHARITY		400-00-7568
PRESENT HOME ADDRESS - NO. AND STREET, RURAL ROUTE / APT. NO.	DAYTIME PHONE: 520-349-5960	IMPORTANT
2 923 HOPE ST	94 HOME PHONE: 520-524-4838	You **must** enter your SSNs.
CITY, TOWN OR POST OFFICE / STATE / ZIP CODE		FOR DOR USE ONLY
3 DOUGLAS, AZ 85607		

Filing Status

4	X	Married filing joint return	
5		Head of household - name of qualifying child or dependent:	
6		Married filing separate return. Enter spouse's Social Security Number above and full name here. ▶	88
7		Single	81 / 80

Exemptions

8	00	Enter the number claimed. Do not put a check mark.	Age 65 or over (you and/or spouse)
9	00		Blind (you and/or spouse)
10	03		Dependents. From page 2, line A2 - **do not include self or spouse.**
11	00		Qualifying parents and ancestors of your parents from page 2, line A5.

82 **CHECK ONE if filing under an extension:** 4 month extension **82D** ☐ 6 month extension **82F** ☐

12-13 Residency Status (check one): 12 X Part-Year Resident Other than Active Military 13 ☐ Part-Year Resident Active Military

THIS BOX MAY BE BLANK OR MAY CONTAIN A PRINTED BARCODE OF DATA FROM YOUR RETURN

Attach W-2s at back of last page of your return.

If itemizing, attach page of the federal return.

Enclose but do not attach Arizona Schedule A and Arizona Schedule A.

14	Federal AGI	14	63,651 00
15	Arizona income (from page 2, line B19)	15	35,280 00
16	Additions to income (from page 2, line C24)	16	00
17	Add lines 15 and 16	17	35,280 00
18	(This line not used.)		
19	Subtractions. Number from line D34a 19 1	19	3,823 00
20	Arizona AGI. Line 17 minus line 19	20	31,457 00
21	21 I X ITEMIZED 21 S ☐ STANDARD	21	11,289 00
22	Personal exemptions (see instructions)	22	3,490 00
23	AZ taxable inc. Line 20 minus lines 21 & 22	23	16,678 00
24	Compute the tax using Tax Table X or Y	24	479 00
25	Tax from recapture of credits	25	00
26	Subtotal of tax. Add lines 24 and 25	26	479 00
27 - 28	Clean Elections Fund Tax Reduction 27 1 X YOURSELF 27 2 X SPOUSE	28	10 00
29	Reduced tax. Subtract line 28 from line 26	29	469 00
30	Family income tax credit from worksheet on page 16 of the instructions	30	00
31	Credits from Arizona Form 301, line 58, or Forms 310, 321, 322 and 323 if Form 301 is not required	31	469 00
32	Credit type. Enter form number of each credit claimed: 32 331 3__ 3__ 3__		
33	Clean Elections Fund Tax Credit. From worksheet on page 18 of the instructions	33	00
34	Balance of tax. Subtract lines 30, 31 and 33 from line 29. If the sum of lines 30, 31 and 33 is more than line 29, enter zero	34	00
35	Arizona income tax withheld during 2004	35	796 00
36	Arizona estimated tax payments for 2004	36	00
37	Amount paid with 2004 Arizona extension request (Form 204)	37	00
38	Increased Excise Tax Credit. From worksheet on page 18 of the instructions	38	00
39	Other refundable credits. Check box(es) and enter amount(s): 39 A1 ☐ 329 39 A2 ☐ 330	39	00
40	Total payments/refundable credits. Add lines 35 through 39.	40	796 00
41	**TAX DUE.** If line 34 is larger than line 40, subtract line 40 from line 34, and enter amount of tax due. Skip lines 42, 43 and 44.	41	00
42	**OVERPAYMENT.** If line 40 is larger than line 34, subtract line 34 from line 40, and enter amount of overpayment .	42	796 00
43	Amount of line 42 to be applied to 2005 estimated tax	43	00
44	Balance of overpayment. Subtract line 43 from line 42.	44	796 00

45-52

Aid to Education (entire refund only)	45	00	Arizona Wildlife	46	00	Citizens Clean Elections	47 00
Child Abuse Prevention	48	00	Domestic Violence Shelter	49	00	Neighbors Helping Neighbors	50 00
Special Olympics	51	00	Political Gift	52	00		

53	Check only one if making a political gift: 53 1 ☐ Democratic 53 2 ☐ Libertarian 53 3 ☐ Republican		
54	Estimated payment penalty and MSA withdrawal penalty	54	00
55	Check applicable boxes: 55 1 ☐ Annualized/Other 55 2 ☐ Farmer or Fisherman 55 3 ☐ Form 221 attached 55 4 ☐ MSA Penalty		
56	Total of lines 45, 46, 47, 48, 49, 50, 51, 52 and 54	56	00
57	**REFUND.** Subtract line 56 from line 44. If less than zero, enter amount owed on line 58.	57	796 00

Direct Deposit of Refund: See instructions.
ROUTING NUMBER 98 ACCOUNT NUMBER C ☐ Checking or S ☐ Savings

58	**AMOUNT OWED.** Add lines 41 and 56. **Make check payable to Arizona Department of Revenue; include SSN on payment.**	58	00

PART A Dependents

A1 List children and other dependents. Do not list yourself or spouse. If more space is needed, attach a separate sheet.

FIRST AND LAST NAME	SOCIAL SECURITY NO.	RELATIONSHIP	NO. OF MONTHS LIVED IN YOUR HOME IN 2004
JEFFREY CHARITY	400-55-7566	SON	12
SAMUEL CHARITY	400-55-7567	SON	12
SANDRA CHARITY	400-55-7568	DAUGHTER	12

A2 Enter total number of persons listed in A1 here and on page 1 of this form, box 10 . . . TOTAL **A2** 3

A3 Enter the names of the dependents listed above who do not qualify as your dependent on your federal return:

A4 List qualifying parents and ancestors of your parents. If more space is needed, attach a separate sheet. You cannot list the same person here and also on line A1. For information on who is a qualifying parent or ancestor of your parents, see page 5 of the instructions.

FIRST AND LAST NAME	SOCIAL SECURITY NO.	RELATIONSHIP	NO. OF MONTHS LIVED IN YOUR HOME IN 2004

A5 Enter total number of persons listed in A4 here and on page 1 of this form, box 11 . . . TOTAL **A5** 0

PART B Arizona Percent of Total Income

B6 Dates of Arizona residency: From 02-14-2004 to 12-31-2004.
List other state(s) of residency: NORTH CAROLINA

			2004 FEDERAL Amount from federal return	2004 ARIZONA Amount only
B7	Wages, salaries, tips, etc.	B7	52,840 00	32,000 00
B8	Interest	B8	00	00
B9	Dividends	B9	00	00
B10	Arizona income tax refunds	B10	00	00
B11	Alimony received	B11	00	00
B12	Business income (or loss) from federal Schedule C	B12	00	00
B13	Gains (or losses) from federal Schedule D	B13	57 00	40 00
B14	Rents, royalties, partnerships, estates, trusts, small business corporations from federal Schedule E	B14	16,456 00	3,240 00
B15	Other income reported on your federal return	B15	1,658 00	00
B16	**Total income:** Add lines B7 through B15	B16	71,011 00	35,280 00
B17	Federal adjustments. Attach your own schedule	B17	7,360 00	00
B18	Federal adjusted gross income. Subtract line B17 from line B16 in the FEDERAL column	B18	63,651 00	
B19	Arizona income: Subtract line B17 from line B16 in the ARIZONA column. Enter here and on page 1 of this form, line 15	B19		35,280 00
B20	Arizona percentage: Divide line B19 by line B18, and enter the result (not over 100%)	B20		55.40 %

PART C Addns.

C21	Early withdrawal of Arizona Retirement System contributions	C21	00
C22	Total depreciation included in Arizona gross income	C22	00
C23	Other additions to income. See instructions and attach your own schedule	C23	00
C24	Total: Add lines C21 through C23. Enter here and on page 1 of this form on line 16	C24	00

PART D Subtrs. from Income

D25	Exemption: Age 65 or over. Multiply the number in box 8, page 1, by $2,100	D25	00		
D26	Exemption: Blind. Multiply the number in box 9, page 1, by $1,500	D26	00		
D27	Exemption: Dependents. Multiply the number in box 10, page 1, by $2,300	D27	6,900 00		
D28	Exemption: Qualifying parents and ancestors. Multiply the number in box 11, page 1, by $10,000	D28	00		
D29	Total exemptions: Add lines D25 through D28	D29	6,900 00		
D30	Multiply line D29 by the percentage on line B20, and enter the result			D30	3,823 00
D31	Interest on U.S. obligations such as U.S. savings bonds and treasury bills included in the ARIZONA column			D31	00
D32	Arizona state lottery winnings included on line B15 in the ARIZONA column (up to $5,000 only)			D32	00
D33	U.S. Social Security or Railroad Retirement Act benefits included in your ARIZONA income			D33	00
D34	Construction of an energy efficient residence. See page 10 of instructions. Enter number D34a ___, then amount			D34	00
D35	Other subtractions from income. See instructions and attach your own schedule			D35	00
D36	Total: Add lines D30 through D35. Enter here and on page 1 of this form, line 19			D36	3,823 00

E37 Last name(s) used in prior years if different from name(s) used in current year:

PLEASE SIGN HERE

I have read this return and any attachments with it. Under penalties of perjury, I declare that to the best of my knowledge and belief, they are true, correct and complete. Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge.

▶ ____________ YOUR SIGNATURE — DATE 11-11-2004

▶ ____________ SPOUSE'S SIGNATURE — DATE 11-11-2004

▶ ____________ PAID PREPARER'S SIGNATURE — FIRM'S NAME (PREPARER'S IF SELF-EMPLOYED)

PAID PREPARER'S TIN — DATE — PAID PREPARER'S ADDRESS

If you are also sending a payment, mail to Arizona Department of Revenue, PO Box 52016, Phoenix, AZ, 85072-2016 (PO Box 29204, Phoenix, AZ 85038-9204 if your return has a barcode).

If you are not sending a payment, mail to Arizona Department of Revenue, PO Box 52138, Phoenix, AZ, 85072-2138 (PO Box 29205, Phoenix, AZ 85038-9205 if your return has a barcode).

ARIZONA SCHEDULE A(PYN)

Itemized Deductions
For Part-Year Residents

2004

Who also had Arizona source income during the period of the year while a nonresident.

Attach to your return

NAME(S) AS SHOWN ON FORM 140PY	YOUR SOCIAL SECURITY NUMBER
TEST L CHARITY MARY B CHARITY	400-00-7521
	SPOUSE'S SOCIAL SECURITY NUMBER 400-00-7568

Part I: Itemized Deductions for the Period of the Year While an Arizona Resident Plus Arizona Source Itemized Deductions for the Period While a Nonresident

Medical and Dental Expenses ● Taxes ● Interest Expense ● Gifts to Charity

1	Medical and dental expenses incurred and paid while an Arizona resident plus the amount of such expenses from Arizona sources that you incurred and paid during the part of the year while an Arizona nonresident			1	3,800 00
2	Taxes allowable on federal Form 1040, Schedule A, that you incurred and paid while an Arizona resident plus the amount of such taxes from Arizona sources that you incurred and paid during the part of the year while an Arizona nonresident			2	796 00
3	Interest expense: See instructions			3	4,700 00
4	Gifts to charity allowable on federal Form 1040, Schedule A, that you incurred and paid while an Arizona resident plus the amount of such gifts from Arizona sources that you incurred and paid during the part of the year while an Arizona nonresident			4	400 00
	Casualty and Theft Losses				
5	Casualty loss(es) allowable on federal Form 1040, Schedule A, after applying the 10% federal adjusted gross income limitation and the $100 per loss floor	5	00		
6	Casualty loss(es) allowable on federal Form 4684 before applying the 10% federal adjusted gross income limitation and the $100 per loss floor	6	00		
7	Amount of loss on line 6 incurred while you were an Arizona resident plus the amount of loss from Arizona sources on line 6 that you incurred during the part of the year while an Arizona nonresident	7	00		
8	Divide line 7 by line 6, and enter the percentage	8	%		
9	Multiply line 5 by the percentage on line 8			9	00
	Job Expenses and Other Miscellaneous Expenses				
10	Miscellaneous expenses subject to the 2% federal adjusted gross income limitation allowable on federal Form 1040, Schedule A, before applying the limitation	10	4,551 00		
11	Amount on line 10 that you incurred and paid while an Arizona resident plus the amount on line 10 from Arizona sources that you incurred and paid during the part of the year while an Arizona nonresident	11	1,971 00		
12	Divide line 11 by line 10, and enter the percentage	12	43.3 %		
13	Miscellaneous deductions subject to the 2% federal adjusted gross income limit allowable on federal Form 1040, Schedule A, after applying the limitation	13	3,278 00		
14	Multiply line 13 by the percentage on line 12	14	1,419 00		
15	Other miscellaneous expenses allowable on federal Form 1040, Schedule A, not subject to the 2% federal adjusted gross income limitation that you incurred and paid while an Arizona resident plus the amount of such expenses from Arizona sources that you incurred and paid during the part of the year while an Arizona nonresident	15	00		
	Skip lines 16 through 20 if not deducting gambling losses.				
16	Wagering losses included on line 15	16	00		
17	Total gambling winnings included in your Arizona gross income	17	00		
18	Authorized Arizona lottery subtraction from Form 140PY, page 2, line D32	18	00		
19	Maximum allowable gambling loss deduction: Subtract line 18 from line 17	19	00		
20	If line 19 is less than line 16, subtract line 19 from line 16; otherwise enter "zero"	20	00		
21	If you completed lines 16 through 20, subtract line 20 from line 15. If you skipped lines 16 through 20, enter amount on line 15 here	21	00		
22	Add lines 14 and 21			22	1,419 00

Subtotal of Itemized Deductions

23	Tentative Arizona itemized deduction: Add lines 1, 2, 3, 4, 9, and 22. If your federal adjusted gross income is more than $142,700 ($71,350 if married filing separately), complete lines 24 through 28 below. Otherwise, skip lines 24 through 28	23	11,115 00		
24	If your federal adjusted gross income is more than $142,700 ($71,350 if married filing separately), enter on line 24 the amount by which you have to reduce your federal itemized deductions because your federal adjusted gross income was over this threshold	24	00		
25	Enter your total federal itemized deductions allowable on federal Form 1040, Schedule A, prior to the federal adjusted gross income limitation	25	00		
26	Divide line 23 by line 25, and enter the percentage	26	%		
27	Multiply line 24 by the percentage on line 26, and enter the result	27	00		
28	Subtract line 27 from line 23, and enter the result			28	00

Part II: Portion of Itemized Deductions Allowable for the Part of the Year While a Nonresident

Adjustment to Medical and Dental Expenses

29	Medical and dental expenses	29	456 00		
30	Amount of MSA distributions used to pay qualified medical expenses included on line 29	30	00		
31	Medical expenses allowed to be taken as a federal itemized deduction	31	00		
32	Add lines 30 and 31, and enter the result	32	00		
33	If line 29 is the same as or more than line 32, subtract line 32 from line 29. Otherwise, go to line 34			33	456 00
34	If line 32 is more than line 29, subtract line 29 from line 32			34	00

Adjustment to Interest Deduction

35	If you received a federal credit for interest paid on mortgage credit certificates (from federal Form 8396), enter the amount of mortgage interest you paid for 2004 that is equal to the amount of your 2004 federal credit			35	00

Adjustment to Gambling Losses

36	Wagering losses allowed as a federal itemized deduction	36	00		
37	Total gambling winnings included in your federal adjusted gross income	37	00		
38	Authorized Arizona lottery subtraction from Form 140PY, page 2, line D32	38	00		
39	Maximum allowable gambling loss deduction: Subtract line 38 from line 37	39	00		
40	If line 39 is less than line 36, subtract line 39 from line 36; otherwise enter "zero"			40	00

Adjustment to Property Taxes

41	If you are claiming the property tax credit on Arizona Form 302 (Defense Contracting Credits), enter the amount of property taxes allowed as a federal itemized deduction for which a credit is claimed			41	00

Adjustment to Charitable Contributions

42	Amount of charitable contributions for which you are taking a credit under Arizona law			42	00

Adjusted Itemized Deductions

43	Add the amounts on lines 33 and 35	43	456 00		
44	Add lines 34, 40, 41 and 42	44	00		
45	Total itemized deductions allowed to be taken on federal return	45	10,973 00		
46	Enter the amount from line 43 above	46	456 00		
47	Add the amount on lines 45 and 46	47	11,429 00		
48	Enter the amount from line 44 above	48	00		
49	Subtract line 48 from line 47	49	11,429 00		
50	If you skipped lines 24 through 28, enter the amount on line 23 here. If you completed lines 24 through 28, enter the amount from line 28 here	50	11,115 00		
51	Subtract line 50 from line 49	51	314 00		
52	Arizona percentage from line 4 of the worksheet on page 2 of the Schedule A(PYN) instructions	52	55.4 %		
53	Multiply the percentage on line 52 by the amount on line 51	53	174 00		
54	Add lines 50 and 53. Enter the result here and on Form 140PY, page 1, line 21			54	11,289 00

ARIZONA FORM 301

Nonrefundable Individual Tax Credits and Recapture

2004

For the calendar year 2004, or

fiscal year beginning ____________ and ending ____________ .

Attach to your return

NAME(S) AS SHOWN ON FORM 140, 140PY, 140NR or 140X	YOUR SOCIAL SECURITY NUMBER
	400-00-7521
	SPOUSE'S SOCIAL SECURITY NUMBER
TEST L & MARY B CHARITY	400-00-7568

Part I Nonrefundable Individual Tax Credits

Enter total available tax credits.

1	Defense Contracting Credit from Form 302	1	00		
2	Enterprise Zone Credit from Form 304	2	00		
3	Environmental Technology Facility Credit from Form 305	3	00		
4	Military Reuse Zone Credit from Form 306	4	00		
5	Recycling Equipment Credit from Form 307	5	00		
6	Credit for Increased Research Activities from Form 308-I	6	00		
7	Credit for Taxes Paid to Another State or Country from Form 309	7	00		
8	Credit for Solar Energy Devices from Form 310	8	00		
9	Agricultural Water Conservation System Credit from Form 312	9	00		
10	Carryover of Alternative Fuel Vehicle (AFV) Credit from Form 313	10	00		
11	Underground Storage Tanks Credit from Form 314	11	00		
12	Pollution Control Credit from Form 315	12	00		
13	Construction Materials Credit from Form 316	13	00		
14	Credit for Solar Hot Water Heater Plumbing Stub Outs and Electric Vehicle Recharge Outlets from Form 319	14	00		
15	Credit for Employment of TANF Recipients from Form 320	15	00		
16	Credit for Contributions to Charities that Provide Assistance to the Working Poor from Form 321	16	00		
17	Credit for Contributions Made or Fees Paid to Public Schools from Form 322	17	00		
18	Credit for Contributions to School Tuition Organizations from Form 323	18	00		
19	Agricultural Pollution Control Equipment Credit from Form 325	19	00		
20	Carryover of Credit for Alternative Fuel Delivery Systems from Form 326	20	00		
21	Carryover of Vehicle Refueling Apparatus Credit from Form 327	21	00		
22	Neighborhood Electric Vehicle (NEV) Credit from Form 328	22	00		
23	Credit for Donation of School Site from Form 331	23	30,000 00		
24	Total Available Tax Credits: Add lines 1 through 23			24	30,000 00

Part II Application of Tax Credits

Enter tax, recapture tax, and tax credits claimed this taxable year.

25	Tax from Form 140, line 21; or Form 140PY, line 24; or Form 140NR, line 24; or Form 140X, line 26			25	479 00
26	Clean Elections Fund Tax Reduction from Form 140, line 25; or Form 140PY, line 28; or Form 140NR, line 28; or Form 140X, line 29			26	10 00
27	Subtract line 26 from line 25			27	469 00
28	Tax from recapture of Environmental Technology Facility Credit from Form 305, Part VI, line 34	28	00		
29	Tax from recapture of Alternative Fuel Vehicle Credit from Form 313, Part VI, line 19	29	00		
30	Tax from recapture of Neighborhood Electric Vehicle (NEV) Credit from Form 328, Part VIII, line 33	30	00		
31	Recapture Total: Add lines 28 through 30. Enter here and on Form 140, line 22; or Form 140PY, line 25; or Form 140NR, line 25; or Form 140X, line 27			31	00
32	Subtotal: Add lines 27 and 31			32	469 00
33	Family Income Tax Credit from Form 140, line 27; or Form 140PY, line 30; or Form 140X, line 31			33	00
34	Subtract line 33 from line 32			34	469 00

Continued on page 2 ▶

400-00-7521

Nonrefundable Tax Credits Claimed

Enter amount of credits actually claimed from Part I.

35	Defense Contracting Credit from Form 302	35		00
36	Enterprise Zone Credit from Form 304	36		00
37	Environmental Technology Facility Credit from Form 305 (not to exceed 75% of line 32)	37		00
38	Military Reuse Zone Credit from Form 306	38		00
39	Recycling Equipment Credit from Form 307 (not to exceed the lesser of 25% of line 32 or $5,000)	39		00
40	Credit for Increased Research Activities from Form 308-I	40		00
41	Credit for Taxes Paid to Another State or Country from Form 309	41		00
42	Credit for Solar Energy Devices from Form 310	42		00
43	Agricultural Water Conservation System Credit from Form 312	43		00
44	Carryover of Alternative Fuel Vehicle (AFV) Credit from Form 313	44		00
45	Underground Storage Tanks Credit from Form 314	45		00
46	Pollution Control Credit from Form 315	46		00
47	Construction Materials Credit from Form 316	47		00
48	Credit for Solar Hot Water Heater Plumbing Stub Outs and Electric Vehicle Recharge Outlets from Form 319	48		00
49	Credit for Employment of TANF Recipients from Form 320	49		00
50	Credit for Contributions to Charities that Provide Assistance to the Working Poor from Form 321	50		00
51	Credit for Contributions Made or Fees Paid to Public Schools from Form 322	51		00
52	Credit for Contributions to School Tuition Organizations from Form 323	52		00
53	Agricultural Pollution Control Equipment Credit from Form 325	53		00
54	Carryover of Credit for Alternative Fuel Delivery Systems from Form 326	54		00
55	Carryover of Vehicle Refueling Apparatus Credit from Form 327	55		00
56	Credit for Neigborhood Electric Vehicle (NEV) from Form 328	56		00
57	Credit for Donation of School Site from Form 331	57	469	00
58	Total Tax Credits Claimed: Add lines 35 through 57. Total cannot be more than line 34. Enter this amount on Form 140, line 28; or Form 140PY, line 31; or Form 140NR, line 30; or Form 140X, line 32	58	469	00

NOTE: You must attach Form 301 and the corresponding credit forms on which you computed your credit(s) t individual income tax return.

ARIZONA FORM 331

Credit for Donation of School Site

2004

For taxable year beginning ______________________, and ending ______________________

Attach to your return

Name(s) as shown on Forms 120, 120A, 120S, 120X, 140, 140PY, 140NR, 140X, or 165	Social security number or employer identification number
TEST L & MARY B CHARITY	400-00-7521

The donated real property and improvements must be located in Arizona. The credit is in lieu of a deduction for the donation of the property for which the credit is claimed. (See instructions)

Part I Donated Property Information and Calculation of Current Taxable Year's Credit

		Property 1	Property 2	Property 3
1 Arizona county in which the property is located	1			
2 Parcel number of property	2			
3 Date of property conveyance	3			
4 Recording number of property conveyance	4			
5 Value of property based on qualified certified appraisal	5			
6 Multiply the amounts on line 5 in each column by 30 percent (.30)	6			

7 Add the amounts on line 6 in each column. Enter the total	7	
8 Total from continuation sheets, if applicable	8	
9 Current taxable year's credit - Add lines 7 and 8	9	

Part II S Corporation Credit Election and Shareholder's Share of Credit

10 The S corporation has made an irrevocable election for the taxable year ending ______________________ to:
(CHECK ONLY ONE BOX)

☐ Claim the credit for donation of school site as shown on Part I, line 9 (for the taxable year mentioned above);

OR

☐ Pass the credit for donation of school site as shown on Part I, line 9 (for taxable year mentioned above) through to its shareholders.

Signature ______________________ Title ______________________ Date ______________________

If passing the credit through to the shareholder, complete lines 11 through 13 separately for each shareholder. Furnish each shareholder with a copy of the completed Form 331.

11 Name of shareholder ______________________

12 Shareholder's TIN ______________________

13 Shareholder's share of the amount on Part I, line 9 ______________________

Part III Partner's Share of Credit

Complete lines 14 through 16 separately for each partner. Furnish each partner with a copy of the completed Form 331.

14 Name of partner ______________________

15 Partner's TIN ______________________

16 Partner's share of the amount on Part I, line 9 ______________________

Part IV Available Credit Carryover

	(a) Carryover from taxable year ending	(b) Original amount of credit	(c) Amount previously used or expired	(d) Available carryover - subtract column (c) from column (b)
17	2002	40,000	10,000	30,000
18				
19				
20				
21				
22	Total available credit carryover			30,000

Part V Total Available Credit

23 Current year's credit. Individuals, corporations, or S corporations - enter the amount from Part I, line 9. S corporation shareholders - enter the amount from Part II, line 13. Partners of a partnership - enter the amount from Part III, line 16 23

24 Available credit carryover - from Part IV, line 22, column (d) 24 30,000

25 Total available credit. Corporations and S corporations - add lines 23 and 24. Enter result here and on Form 300, Part I, line 19. Individuals - add lines 23 and 24. Enter result here and on Form 301, Part I, line 23 . . . . 25 30,000

a Control number		OMB No. 1545-0008	Safe, accurate, FAST! Use irs e-file — Visit the IRS website at www.irs.gov.

b Employer identification number 56-1241111	1 Wages, tips, other compensation 37,000	2 Federal income tax withheld 680
c Employer's name, address, and ZIP code WORKINGHARD INDUSTRIES 280 LABOR ST FAITH NC 28041-0280	3 Social security wages 37,000	4 Social security tax withheld 2,294
	5 Medicare wages and tips 37,000	6 Medicare tax withheld 537
	7 Social security tips	8 Allocated tips
d Employee's social security number 400-00-7521	9 Advance EIC payment	10 Dependent care benefits
e Employee's first name and initial — Last name TEST L CHARITY 923 HOPE ST DOUGLAS AZ 85607 f Employee's address and ZIP code	11 Nonqualified plans	12a See instructions for box 12 code L 350
	13 Statutory employee ☐ Retmnt. plan X Third-party sick pay ☐	12b code
	14 Other	12c code
		12d code

15 State	Employer's state I.D. no.	16 State wages, tips, etc.	17 State income tax	18 Local wages, tips, etc.	19 Local income tax	20 Locality name
NC	562211	5,000	124			
AZ	0722332	32,000	796			

Form **W-2** **Wage and Tax Statement** **2004**

Department of the Treasury-Internal Revenue Service

Copy B - To Be Filed With Employee's FEDERAL Tax Return.
This information is being furnished to the Internal Revenue Service.

a Control number		OMB No. 1545-0008 — Safe, accurate, FAST! Use irs e-file — Visit the IRS website at www.irs.gov.

b Employer identification number 56-3046224	1 Wages, tips, other compensation 15,840	2 Federal income tax withheld 880
c Employer's name, address, and ZIP code GOLD BLAZER REAL ESTATE 459 DWELLING AVE FAITH NC 28041	3 Social security wages 15,840	4 Social security tax withheld 982
	5 Medicare wages and tips 15,840	6 Medicare tax withheld 230
	7 Social security tips	8 Allocated tips
d Employee's social security number 400-00-7568	9 Advance EIC payment	10 Dependent care benefits
e Employee's first name and initial — Last name MARY B CHARITY 923 HOPE ST DOUGLAS AZ 85607 f Employee's address and ZIP code	11 Nonqualified plans	12a See instructions for box 12 code L 575
	13 Statutory employee ☐ Retmnt. plan X Third-party sick pay ☐	12b code
	14 Other	12c code
		12d code

15 State	Employer's state I.D. no.	16 State wages, tips, etc.	17 State income tax	18 Local wages, tips, etc.	19 Local income tax	20 Locality name
NC	563754	15,840	275			

Form **W-2** **Wage and Tax Statement** **2004**

Department of the Treasury-Internal Revenue Service

Copy B - To Be Filed With Employee's FEDERAL Tax Return.
This information is being furnished to the Internal Revenue Service.

Form **1040** Department of the Treasury - Internal Revenue Service
U.S. Individual Income Tax Return **2004**

(99) IRS Use Only-Do not write or staple in this space.

For the year Jan. 1-Dec. 31, 2004, or other tax year beginning , 2004, ending , 20 OMB. No. 1545-0074

Label (See instructions on page 16.) **Use the IRS label.** Otherwise, please print or type.

Your first name and initial: TEST L	Last name: CHARITY	Your social security number: 400-00-7521
If a joint return, spouse's first name and initial: MARY B	Last name: CHARITY	Spouse's social security number: 400-00-7568
Home address (number and street). If you have a P.O. box, see page 16.: 923 HOPE ST	Apt. no.	**Important!** You **must** enter your SSN(s) above.
City, town or post office, state, and ZIP code. If you have a foreign address, see page 16.: DOUGLAS AZ 85607		

Presidential Election Campaign (See page 16.)
Note. Checking "Yes" will not change your tax or reduce your refund.
Do you, or your spouse if filing a joint return, want $3 to go to this fund? You: Yes [ ] No [X] Spouse: Yes [ ] No [X]

Filing Status Check only one box.
1 [ ] Single
2 [X] Married filing jointly (even if only one had income)
3 [ ] Married filing separately. Enter spouse's SSN above and full name here.
4 [ ] Head of household (with qualifying person). (See page 17.) If the qualifying person is a child but not your dependent, enter this child's name here.
5 [ ] Qualifying widow(er) with dependent child (see page 17)

Exemptions
6 a [X] **Yourself.** If someone can claim you as a dependent, **do not** check box 6a — Boxes checked on 6a and 6b: 2
b [X] **Spouse**
c **Dependents:**

(1) First name	Last name	(2) Dependent's social security number	(3) Dependent's relationship to you	(4) Check if qualifying child for child tax credit (see pg18)
JEFFREY	CHARITY	400-55-7566	SON	X
SAMUEL	CHARITY	400-55-7567	SON	X
SANDRA	CHARITY	400-55-7568	DAUGHTER	X

If more than four dependents, see page 18.

No. of children on 6c who: ● lived with you: 3 ● did not live with you due to divorce or separation (see page 18):
Dependents on 6c not entered above:

d Total number of exemptions claimed — Add numbers on lines above: 5

Income

Attach Form(s) W-2 here. Also attach Forms W-2G and 1099-R if tax was withheld.

If you did not get a W-2, see page 19.

Enclose, but do not attach, any payment. Also, please use **Form 1040-V.**

7	Wages, salaries, tips, etc. Attach Form(s) W-2	7	52,840
8a	**Taxable** interest. Attach Schedule B if required	8a	
b	**Tax-exempt** interest. **Do not** include on line 8a — 8b		
9a	Ordinary dividends. Attach Schedule B if required	9a	
b	Qualified dividends (see page 20) — 9b		
10	Taxable refunds, credits, or offsets of state and local income taxes (see page 20)	10	
11	Alimony received	11	
12	Business income or (loss). Attach Schedule C or C-EZ	12	
13	Capital gain or (loss). Attach Schedule D if required. If not required, check here [ ]	13	57
14	Other gains or (losses). Attach Form 4797	14	
15a	IRA distributions 15a — b Taxable amount (see page 22)	15b	
16a	Pensions and annuities 16a — b Taxable amount (see page 22)	16b	
17	Rental real estate, royalties, partnerships, S corporations, trusts, etc. Attach Schedule E	17	16,456
18	Farm income or (loss). Attach Schedule F	18	
19	Unemployment compensation	19	
20a	Social security benefits 20a — b Taxable amount (see page 24)	20b	
21	Other income. FORM 8814 1,658	21	1,658
22	Add the amounts in the far right column for lines 7 through 21. This is your **total income**	22	71,011

Adjusted Gross Income

23	Educator expenses (see page 26)	23			
24	Certain business expenses of reservists, performing artists, and fee-basis government officials. Attach Form 2106 or 2106-EZ	24			
25	IRA deduction (see page 26)	25	4,260		
26	Student loan interest deduction (see page 28)	26			
27	Tuition and fees deduction (see page 29)	27			
28	Health savings account deduction. Attach Form 8889	28			
29	Moving expenses. Attach Form 3903	29			
30	One-half of self-employment tax. Attach Schedule SE	30			
31	Self-employed health insurance deduction (see page 30)	31			
32	Self-employed SEP, SIMPLE, and qualified plans	32			
33	Penalty on early withdrawal of savings	33			
34a	Alimony paid b Recipient's SSN 400-66-2021	34a	1,200		
35	Add lines 23 through 34a STATEMENT #1 1,900			35	7,360
36	Subtract line 35 from line 22. This is your **adjusted gross income**			36	63,651

Tax and Credits

37	Amount from line 36 (adjusted gross income)		37	63,651
38a	Check if: You were born before January 2, 1940, Blind. Spouse was born before January 2, 1940, Blind. Total boxes checked ▶38a			
b	If your spouse itemizes on a separate return or you were a dual-status alien, see pg 31 & check here ▶38b			
39	**Itemized deductions** (from Schedule A) **or** your **standard deduction** (see left margin)		39	10,973
40	Subtract line 39 from line 37		40	52,678
41	If line 37 is $107,025 or less, multiply $3,100 by the total number of exemptions claimed on line 6d. If line 37 is over $107,025, see the worksheet on page 33		41	15,500
42	**Taxable income.** Subtract line 41 from line 40. If line 41 is more than line 40, enter -0-		42	37,178
43	**Tax** (see page 33). Check if any tax is from: a [X] Form(s) 8814 b [ ] Form 4972		43	5,030
44	**Alternative minimum tax** (see page 35). Attach Form 6251		44	
45	Add lines 43 and 44 ▶		45	5,030
46	Foreign tax credit. Attach Form 1116 if required	46		
47	Credit for child and dependent care expenses. Attach Form 2441	47		
48	Credit for the elderly or the disabled. Attach Schedule R	48		
49	Education credits. Attach Form 8863	49		
50	Retirement savings contributions credit. Attach Form 8880	50		
51	Child tax credit (see page 37)	51: 3,000		
52	Adoption credit. Attach Form 8839	52		
53	Credits from: a [ ] Form 8396 b [ ] Form 8859	53		
54	Other credits. Check applicable box(es): a [ ] Form 3800 b [ ] Form 8801 c [ ] Specify ____	54		
55	Add lines 46 through 54. These are your **total credits**		55	3,000
56	Subtract line 55 from line 45. If line 55 is more than line 45, enter -0- ▶		56	2,030

Standard Deduction for—
- People who checked any box on line 38a or 38b **or** who can be claimed as a dependent, see page 31.
- All others:

Single or Married filing separately, $4,850

Married filing jointly or Qualifying widow(er), $9,700

Head of household, $7,150

Other Taxes

57	Self-employment tax. Attach Schedule SE	57	
58	Social security and Medicare tax on tip income not reported to employer. Attach Form 4137	58	
59	Additional tax on IRAs, other qualified retirement plans, etc. Attach Form 5329 if required	59	
60	Advance earned income credit payments from Form(s) W-2	60	
61	Household employment taxes. Attach Schedule H	61	
62	Add lines 56 through 61. This is your **total tax** ▶	62	2,030

Payments

If you have a qualifying child, attach Schedule EIC.

63	Federal income tax withheld from Forms W-2 and 1099	63: 1,560		
64	2004 estimated tax payments and amount applied from 2003 return	64: 200		
65a	**Earned income credit (EIC)**	65a		
b	Nontaxable combat pay election ▶ 65b			
66	Excess social security and tier 1 RRTA tax withheld (see page 54)	66		
67	Additional child tax credit. Attach Form 8812	67		
68	Amount paid with request for extension to file (see page 54)	68		
69	Other payments from: a [ ] Form 2439 b [ ] Form 4136 c [ ] Form 8885	69		
70	Add lines 63, 64, 65a, and 66 through 69. These are your **total payments** ▶		70	1,760

Refund

Direct deposit? See page 54 and fill in 72b, 72c, and 72d.

71	If line 70 is more than line 62, subtract line 62 from line 70. This is the amount you **overpaid**	71	
72a	Amount of line 71 you want **refunded to you** ▶	72a	
▶ b	Routing number ▶c Type: [ ] Checking [ ] Savings		
▶ d	Account number		
73	Amount of line 71 you want **applied to your 2005 estimated tax** ▶ 73		

Amount You Owe

74	**Amount you owe.** Subtract line 70 from line 62. For details on how to pay, see page 55 ▶	74	270
75	Estimated tax penalty (see page 55)	75	

Third Party Designee

Do you want to allow another person to discuss this return with the IRS (see page 56)? [ ] **Yes.** Complete the following. [X] **No**

Designee's name ▶ Phone no. ▶ Personal identification number (PIN) ▶

Sign Here

Joint return? See page 17. Keep a copy for your records.

Under penalties of perjury, I declare that I have examined this return and accompanying schedules and statements, and to the best of my knowledge and belief, they are true, correct, and complete. Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge.

Your signature | Date | Your occupation: CONSTRUCTION FOREMAN | Daytime phone number: 520-349-5960

Spouse's signature. If a joint return, **both** must sign. | Date | Spouse's occupation: REAL ESTATE PROFESSIONAL

Paid Preparer's Use Only

Preparer's signature ▶ | Date | Check if self-employed [ ] | Preparer's SSN or PTIN

Firm's name (or yours if self-employed), address, and ZIP code ▶ | EIN | Phone no.

SCHEDULES A&B (Form 1040)

Department of the Treasury Internal Revenue Service (99)

Schedule A - Itemized Deductions

▶ Attach to Form 1040. ▶ See Instructions for Schedules A and B (Form 1040).

OMB No. 1545-0074

2004

Attachment Sequence No. **07**

Name(s) shown on Form 1040: TEST L & MARY B CHARITY

Your social security number: 400-00-7521

Medical and Dental Expenses		**Caution.** Do not include expenses reimbursed or paid by others.			
	1	Medical and dental expenses (see page A-2)	1	3,800	
	2	Enter amount from Form 1040, line 37 [2] 63,651			
	3	Multiply line 2 by 7.5% (.075)	3	4,774	
	4	Subtract line 3 from line 1. If line 3 is more than line 1, enter -0-		4	0
Taxes You Paid (See page A-2.)	5	State and local **(check only one box):** a [X] Income taxes, **or** b [ ] General sales taxes (see page A-2)	5	1,795	
	6	Real estate taxes (see page A-3)	6		
	7	Personal property taxes	7	800	
	8	Other taxes. List type and amount ▶	8		
	9	Add lines 5 through 8		9	2,595
Interest You Paid (See page A-3.)	10	Home mortgage interest and points reported to you on Form 1098	10	4,700	
	11	Home mortgage interest not reported to you on Form 1098. If paid to the person from whom you bought the home, see page A-4 and show that person's name, identifying no., and address ▶	11		
Note. Personal interest is not deductible.	12	Points not reported to you on Form 1098. See page A-4 for special rules	12		
	13	Investment interest. Attach Form 4952 if required. (See page A-4.)	13		
	14	Add lines 10 through 13		14	4,700
Gifts to Charity If you made a gift and got a benefit for it, see page A-4.	15	Gifts by cash or check. If you made any gift of $250 or more, see page A-4	15	400	
	16	Other than by cash or check. If any gift of $250 or more, see page A-4. You **must** attach Form 8283 if over $500	16		
	17	Carryover from prior year	17		
	18	Add lines 15 through 17		18	400
Casualty and Theft Losses	19	Casualty or theft loss(es). Attach Form 4684. (See page A-5.)		19	
Job Expenses and Most Other Miscellaneous Deductions (See page A-5.)	20	Unreimbursed employee expenses - job travel, union dues, job education, etc. Attach Form 2106 or 2106-EZ if required. (See page A-6.) ▶ STATEMENT # 2	20	4,551	
	21	Tax preparation fees	21		
	22	Other expenses - investment, safe deposit box, etc. List type and amount ▶	22		
	23	Add lines 20 through 22	23	4,551	
	24	Enter amount from Form 1040, line 37 [24] 63,651			
	25	Multiply line 24 by 2% (.02)	25	1,273	
	26	Subtract line 25 from line 23. If line 25 is more than line 23, enter -0-		26	3,278
Other Miscellaneous Deductions	27	Other - from list on page A-6. List type and amount ▶		27	
Total Itemized Deductions	28	Is Form 1040, line 37, over $142,700 (over $71,350 if married filing separately)? [X] **No.** Your deduction is not limited. Add the amounts in the far right column for lines 4 through 27. Also, enter this amount on Form 1040, line 39. ▶ [ ] **Yes.** Your deduction may be limited. See page A-6 for the amount to enter.		28	10,973

SCHEDULE D (Form 1040)

Department of the Treasury
Internal Revenue Service (99)

Capital Gains and Losses

▶ Attach to Form 1040. ▶ See Instructions for Schedule D (Form 1040).
▶ Use Schedule D-1 to list additional transactions for lines 1 and 8.

OMB No. 1545-0074
2004
Attachment Sequence No. **12**

Name(s) shown on Form 1040: TEST L & MARY B CHARITY
Your social security number: 400-00-7521

Part I Short-Term Capital Gains and Losses - Assets Held One Year or Less

	(a) Description of property (Example: 100 sh. XYZ Co.)	(b) Date acquired (Yr., mo., day)	(c) Date sold (Yr., mo., day)	(d) Sales price (see page D-6 of the instructions)	(e) Cost or other basis (see page D-6 of the instructions)	(f) Gain or (loss) Subtract (e) from (d)
1						
2	Enter your short-term totals, if any, from Schedule D-1, line 2		2			
3	**Total short-term sales price amounts.** Add lines 1 and 2 in column (d)		3			
4	Short-term gain from Form 6252 and short-term gain or (loss) from Forms 4684, 6781, and 8824				4	
5	Net short-term gain or (loss) from partnerships, S corporations, estates, and trusts from Schedule(s) K-1				5	
6	Short-term capital loss carryover. Enter the amount, if any, from line 8 of your **Capital Loss Carryover Worksheet** on page D-6 of the instructions				6	( )
7	**Net short-term capital gain or (loss).** Combine lines 1 through 6 in column (f)				7	

Part II Long-Term Capital Gains and Losses - Assets Held More Than One Year

	(a) Description of property (Example: 100 sh. XYZ Co.)	(b) Date acquired (Yr., mo., day)	(c) Date sold (Yr., mo., day)	(d) Sales price (see page D-6 of the instructions)	(e) Cost or other basis (see page D-6 of the instructions)	(f) Gain or (loss) Subtract (e) from (d)
8	5 SHS ACME	20010203	20040615	620	580	40
9	Enter your long-term totals, if any, from Schedule D-1, line 9		9			
10	**Total long-term sales price amounts.** Add lines 8 and 9 in column (d)		10	620		
11	Gain from Form 4797, Part I; long-term gain from Forms 2439 and 6252; and long-term gain or (loss) from Forms 4684, 6781, and 8824				11	
12	Net long-term gain or (loss) from partnerships, S corporations, estates, and trusts from Schedule(s) K-1				12	
13	Capital gain distributions. See page D-1 of the instructions FORM 8814 17				13	17
14	Long-term capital loss carryover. Enter the amount, if any, from line 13 of your **Capital Loss Carryover Worksheet** on page D-6 of the instructions				14	( )
15	**Net long-term capital gain or (loss).** Combine lines 8 through 14 in column (f). Then go to Part III on page 2				15	57

Part III Summary

16 Combine lines 7 and 15 and enter the result. If line 16 is a loss, skip lines 17 through 20, and go to line 21. If a gain, enter the gain on Form 1040, line 13, and then go to line 17 below 16 57

17 Are lines 15 and 16 **both** gains?

- [X] **Yes.** Go to line 18.
- [ ] **No.** Skip lines 18 through 21, and go to line 22.

18 Enter the amount, if any, from line 7 of the **28% Rate Gain Worksheet** on page D-7 of the instructions . . . . ▶ 18

19 Enter the amount, if any, from line 18 of the **Unrecaptured Section 1250 Gain Worksheet** on page D-8 of the instructions . . . . ▶ 19

20 Are lines 18 and 19 **both** zero or blank?

- [X] **Yes.** Complete Form 1040 through line 42, and then complete the **Qualified Dividends and Capital Gain Tax Worksheet** on page 34 of the Instructions for Form 1040. **Do not** complete lines 21 and 22 below.
- [ ] **No.** Complete Form 1040 through line 42, and then complete the **Schedule D Tax Worksheet** on page D-9 of the instructions. **Do not** complete lines 21 and 22 below.

21 If line 16 is a loss, enter here and on Form 1040, line 13, the **smaller** of:

- The loss on line 16 or
- ($3,000), or if married filing separately, ($1,500)

▶ . . . . 21 ( )

Note: When figuring which amount is smaller, treat both amounts as positive numbers.

22 Do you have qualified dividends on Form 1040, line 9b?

- [ ] **Yes.** Complete Form 1040 through line 42 , and then complete the **Qualified Dividends and Capital Gain Tax Worksheet** on page 34 of the Instructions for Form 1040.
- [ ] **No.** Complete the rest of Form 1040.

SCHEDULE E (Form 1040)

Department of the Treasury Internal Revenue Service (99)

Supplemental Income and Loss

(From rental real estate, royalties, partnerships, S corporations, estates, trusts, REMICs, etc.)

▶Attach to Form 1040 or Form 1041. ▶ See Instructions for Schedule E (Form 1040).

OMB No. 1545-0074

2004

Attachment Sequence No. **13**

Name(s) shown on return: TEST L & MARY B CHARITY

Your social security number: 400-00-7521

Part I **Income or Loss From Rental Real Estate and Royalties** **Note.** If you are in the business of renting personal property, use **Schedule C** or **C-EZ** (see page E-3). Report farm rental income or loss from **Form 4835** on page 2, line 40.

1 List the type and location of each **rental real estate property:**

A CONDOMINIUMS
24 ROSEANNE ST FAITH NC

B

C

2 For each rental real estate property listed on line 1, did you or your family use it during the tax year for personal purposes for more than the greater of:
- 14 days **or**
- 10% of the total days rented at fair rental value?

(See page E-3.)

	Yes	No
A		X
B		
C		

Income:	Line	Properties A	Properties B	Properties C	Line	Totals (Add columns A, B, and C.)
3 Rents received	3	72,500			3	72,500
4 Royalties received	4				4	
Expenses:						
5 Advertising	5	4,900				
6 Auto and travel (see page E-4)	6	4,662				
7 Cleaning and maintenance	7	9,763				
8 Commissions	8	5,200				
9 Insurance	9	7,644				
10 Legal and other professional fees	10	1,200				
11 Management fees	11	800				
12 Mortgage interest paid to banks, etc. (see page E-4)	12	4,255			12	4,255
13 Other interest	13	618				
14 Repairs	14	3,204				
15 Supplies	15	509				
16 Taxes	16	8,411				
17 Utilities	17	2,870				
18 Other (list) ▶	18					
DUES & SUBSCRIPTIONS		200				
PEST CONTROL		1,860				
19 Add lines 5 through 18	19	56,096			19	56,096
20 Depreciation expense or depletion (see page E-4)	20				20	
21 Total expenses. Add lines 19 and 20	21	56,096				
22 Income or (loss) from rental real estate or royalty properties. Subtract line 21 from line 3 (rents) or line 4 (royalties). If the result is a (loss), see page E-4 to find out if you must file **Form 6198**	22	16,404				
23 Deductible rental real estate loss. **Caution.** Your rental real estate loss on line 22 may be limited. See page E-4 to find out if you must file **Form 8582**. Real estate professionals must complete line 43 on page 2	23	( )	( )	( )		

24 **Income.** Add positive amounts shown on line 22. **Do not** include any losses — **24** 16,404

25 **Losses.** Add royalty losses from line 22 and rental real estate losses from line 23. Enter total losses here — **25** ( )

26 **Total rental real estate and royalty income or (loss).** Combine lines 24 and 25. Enter the result here. If Parts II, III, IV, and line 40 on page 2 do not apply to you, also enter this amount on Form 1040, line 17. Otherwise, include this amount in the total on line 41 on page 2 NPA 16,404 — **26** 16,404

Name(s) shown on return. Do not enter name and social security number if shown on page 1.

TEST L & MARY B CHARITY

Your social security number: 400-00-7521

Caution: The IRS compares amounts reported on your tax return with amounts shown on Schedule(s) K-1.

Part II Income or Loss From Partnerships and S Corporations

Note. If you report a loss from an at-risk activity for which **any** amount is **not** at risk, you **must** check column **(e)** on line 28 and attach **Form 6198.** See page E-1.

27 Are you reporting any loss not allowed in a prior year due to the at-risk or basis limitations, a prior year unallowed loss from a passive activity (if that loss was not reported on Form 8582), or unreimbursed partnership expenses? ☐ Yes ☒ No
If you answered "Yes," see page E-6 before completing this section.

28	(a) Name	(b) Enter P for partnership; S for S corporation	(c) Check if foreign partnership	(d) Employer identification number	(e) Check if any amount is not at risk
A	CHARITY & COMPANY	P		56-0124344	
B	FAITH CITY PARTNERS	P		56-9485555	
C	SHELTERS, LTD	S		56-4712345	
D					

	Passive Income and Loss		Nonpassive Income and Loss		
	(f) Passive loss allowed (attach Form 8582 if required)	(g) Passive income from Schedule K-1	(h) Nonpassive loss from Schedule K-1	(i) Section 179 expense deduction from Form 4562	(j) Nonpassive income from Schedule K-1
A		3,240			
B	3,240				
C					52
D					
29 a Totals		3,240			52
b Totals	3,240				

30	Add columns (g) and (j) of line 29a	30	3,292
31	Add columns (f), (h), and (i) of line 29b	31	(3,240)
32	**Total partnership and S corporation income or (loss).** Combine lines 30 and 31. Enter the result here and include in the total on line 41 below	32	52

Part III Income or Loss From Estates and Trusts

33	(a) Name	(b) Employer identification number
A		
B		

	Passive Income and Loss		Nonpassive Income and Loss	
	(c) Passive deduction or loss allowed (attach Form 8582 if required)	(d) Passive income from Schedule K-1	(e) Deduction or loss from Schedule K-1	(f) Other income from Schedule K-1
A				
B				
34 a Totals				
b Totals				

35	Add columns (d) and (f) of line 34a	35	
36	Add columns (c) and (e) of line 34b	36	( )
37	**Total estate and trust income or (loss).** Combine lines 35 and 36. Enter the result here and include in the total on line 41 below	37	

Part IV Income or Loss From Real Estate Mortgage Investment Conduits (REMICs) -- Residual Holder

38 (a) Name	(b) Employer identification number	(c) Excess inclusion from Schedules Q, line 2c (see page E-6)	(d) Taxable income (net loss) from Schedules Q, line 1b	(e) Income from Schedules Q, line 3b

39	Combine columns (d) and (e) only. Enter the result here and include in the total on line 41 below	39	

Part V Summary

40	Net farm rental income or (loss) from **Form 4835**. Also, complete line 42 below	40	
41	**Total income or (loss).** Combine lines 26, 32, 37, 39, and 40. Enter the result here and on Form 1040, line 17 ▶	41	16,456
42	**Reconciliation of farming and fishing income.** Enter your **gross** farming and fishing income reported on Form 4835, line 7; Schedule K-1 (Form 1065), box 14, code B; Schedule K-1 (Form 1120S), box 17, code N; and Schedule K-1 (Form 1041), line 14 (see page E-6)	42	
43	**Reconciliation for real estate professionals.** If you were a real estate professional (see page E-1), enter the net income or (loss) you reported anywhere on Form 1040 from all rental real estate activities in which you materially participated under the passive activity loss rules	43	16,404

Form **8814**

Department of the Treasury
Internal Revenue Service

Parents' Election To Report Child's Interest and Dividends

▶ See instructions.

▶ Attach to parents' Form 1040 or Form 1040NR.

OMB No. 1545-1128

2004

Attachment Sequence No. **40**

Name(s) shown on your return	Your social security number
TEST L & MARY B CHARITY	400-00-7521

Caution: The Federal income tax on your child's income, including qualified dividends and capital gain distributions, may be less if you file a separate tax return for the child instead of making this election. This is because you cannot take certain tax benefits that your child could take on his or her own return. For details, see **Tax benefits you may not take** on page 2.

A Child's name (first, initial, and last)	B Child's social security number
JEFFREY CHARITY	400-55-3021

C If more than one Form 8814 is attached, check here ▶ X

Part I Child's Interest and Dividends To Report on Your Return

1 a	Enter your child's **taxable** interest. If this amount is different from the amounts shown on the child's Forms 1099-INT and 1099-OID, see the instructions (TAX-EXEMPT INTEREST 32)		1a	600
b	Enter your child's **tax-exempt** interest. **Do not** include this amount on line 1a	1b 32		
2	Enter your child's ordinary dividends, including any Alaska Permanent Fund dividends. If your child received any ordinary dividends as a nominee, see the instructions		2	330
3	Enter your child's capital gain distributions. If your child received any capital gain distributions as a nominee, see the instructions		3	
4	Add lines 1a, 2, and 3. If the total is $1,600 or less, skip lines 5 and 6 and go to line 7. If the total is $8,000 or more, **do not** file this form. Your child **must** file his or her own return to report the income		4	930
5	Base amount		5	1,600.00
6	Subtract line 5 from line 4. See the instructions for where to report this amount. Go to line 7 below ▶		6	

Part II Tax on the First $1,600 of Child's Interest and Dividends

7	Amount not taxed	7	800.00
8	Subtract line 7 from line 4. If the result is zero or less, enter -0-	8	130
9	**Tax.** Is the amount on line 8 less than $800? ☐ **No.** Enter $80 here and see the **Note** below. ☒ **Yes.** Multiply line 8 by 10% (.10). Enter the result here and see the **Note** below. ▶	9	13

Note: If you checked the box on line C above, see the instructions. Otherwise, include the amount from line 9 in the tax you enter on Form 1040, line 43, or Form 1040NR, line 40. Be sure to check box **a** on Form 1040, line 43, or Form 1040NR, line 40.

Form **8814**

Department of the Treasury
Internal Revenue Service

Parents' Election To Report Child's Interest and Dividends

▶ See instructions.

▶ Attach to parents' Form 1040 or Form 1040NR.

OMB No. 1545-1128

2004

Attachment Sequence No. **40**

Name(s) shown on your return	Your social security number
TEST L & MARY B CHARITY	400-00-7521

Caution: The Federal income tax on your child's income, including qualified dividends and capital gain distributions, may be less if you file a separate tax return for the child instead of making this election. This is because you cannot take certain tax benefits that your child could take on his or her own return. For details, see **Tax benefits you may not take** on page 2.

A Child's name (first, initial, and last)	B Child's social security number
SAMUEL CHARITY	400-55-4021

C If more than one Form 8814 is attached, check here ▶ X

Part I Child's Interest and Dividends To Report on Your Return

1 a	Enter your child's **taxable** interest. If this amount is different from the amounts shown on the child's Forms 1099-INT and 1099-OID, see the instructions	1a	860
b	Enter your child's **tax-exempt** interest. **Do not** include this amount on line 1a — 1b		
2	Enter your child's ordinary dividends, including any Alaska Permanent Fund dividends. If your child received any ordinary dividends as a nominee, see the instructions	2	750
3	Enter your child's capital gain distributions. If your child received any capital gain distributions as a nominee, see the instructions	3	120
4	Add lines 1a, 2, and 3. If the total is $1,600 or less, skip lines 5 and 6 and go to line 7. If the total is $8,000 or more, **do not** file this form. Your child **must** file his or her own return to report the income	4	1,730
5	Base amount	5	1,600.00
6	Subtract line 5 from line 4. See the instructions for where to report this amount. Go to line 7 below CGD 9 ▶	6	121

Part II Tax on the First $1,600 of Child's Interest and Dividends

7	Amount not taxed	7	800.00
8	Subtract line 7 from line 4. If the result is zero or less, enter -0-	8	930
9	**Tax.** Is the amount on line 8 less than $800? X **No.** Enter $80 here and see the **Note** below. ☐ **Yes.** Multiply line 8 by 10% (.10). Enter the result here and see the **Note** below.	9	80

Note: If you checked the box on line C above, see the instructions. Otherwise, include the amount from line 9 in the tax you enter on Form 1040, line 43, or Form 1040NR, line 40. Be sure to check box **a** on Form 1040, line 43, or Form 1040NR, line 40.

Form **8814**

Department of the Treasury
Internal Revenue Service

Parents' Election To Report Child's Interest and Dividends

▶ **See instructions.**

▶ **Attach to parents' Form 1040 or Form 1040NR.**

OMB No. 1545-1128

2004

Attachment Sequence No. **40**

Name(s) shown on your return	Your social security number
TEST L & MARY B CHARITY	400-00-7521

Caution: The Federal income tax on your child's income, including qualified dividends and capital gain distributions, may be less if you file a separate tax return for the child instead of making this election. This is because you cannot take certain tax benefits that your child could take on his or her own return. For details, see **Tax benefits you may not take** on page 2.

A Child's name (first, initial, and last)	B Child's social security number
SANDRA CHARITY	400-55-5021

C If more than one Form 8814 is attached, check here ▶ X

Part I Child's Interest and Dividends To Report on Your Return

1 a	Enter your child's **taxable** interest. If this amount is different from the amounts shown on the child's Forms 1099-INT and 1099-OID, see the instructions (TAX-EXEMPT INTEREST 420)	1a	2,948
b	Enter your child's **tax-exempt** interest. **Do not** include this amount on line 1a . . . 1b 420		
2	Enter your child's ordinary dividends, including any Alaska Permanent Fund dividends. If your child received any ordinary dividends as a nominee, see the instructions	2	180
3	Enter your child's capital gain distributions. If your child received any capital gain distributions as a nominee, see the instructions	3	17
4	Add lines 1a, 2, and 3. If the total is $1,600 or less, skip lines 5 and 6 and go to line 7. If the total is $8,000 or more, **do not** file this form. Your child **must** file his or her own return to report the income	4	3,145
5	Base amount	5	1,600.00
6	Subtract line 5 from line 4. See the instructions for where to report this amount. Go to line 7 below . . . CGD . . . 8 ▶	6	1,537

Part II Tax on the First $1,600 of Child's Interest and Dividends

7	Amount not taxed	7	800.00
8	Subtract line 7 from line 4. If the result is zero or less, enter -0-	8	2,345
9	**Tax.** Is the amount on line 8 less than $800? X **No.** Enter $80 here and see the **Note** below. ☐ **Yes.** Multiply line 8 by 10% (.10). Enter the result here and see the **Note** below.	9	80

Note: If you checked the box on line C above, see the instructions. Otherwise, include the amount from line 9 in the tax you enter on Form 1040, line 43, or Form 1040NR, line 40. Be sure to check box **a** on Form 1040, line 43, or Form 1040NR, line 40.

Form **8606**

Department of the Treasury
Internal Revenue Service (99)

Nondeductible IRAs

▶ See separate instructions.

▶ Attach to Form 1040, Form 1040A, or Form 1040NR.

OMB No. 1545-1007

2004

Attachment Sequence No. **48**

Name. If married, file a separate form for each spouse required to file Form 8606. See page 5 of the instructions.

TEST L CHARITY

Your social security numbe

400-00-7521

Fill In Your Address Only if You Are Filing This Form by Itself and Not With Your Tax Return ▶

Home address (number and street, or P.O. box if mail is not delivered to your home) | Apt. no.

City, town or post office, state, and ZIP code

Part I **Nondeductible Contributions to Traditional IRAs and Distributions From Traditional, SEP, and SIMPLE IRAs**

Complete this part only if:

- You made nondeductible contributions to a traditional IRA for 2004,
- You took distributions from a traditional, SEP, or SIMPLE IRA in 2004 (other than a rollover, conversion, recharacterization, or return of certain contributions) **and** you made nondeductible contributions to a traditional IRA in 2004 or an earlier year, **or**
- You converted part, but not all, of your traditional, SEP, and SIMPLE IRAs to Roth IRAs in 2004 (excluding any portion you recharacterized) **and** you made nondeductible contributions to a traditional IRA in 2004 or an earlier year.

1	Enter your nondeductible contributions to traditional IRAs for 2004, including those made for 2004 from January 1, 2005, through April 15, 2005 (see page 5 of the instructions)	1	870
2	Enter your total basis in traditional IRAs (see page 5 of the instructions)	2	11,800
3	Add lines 1 and 2	3	12,670

In 2004, did you take a distribution from traditional, SEP, or SIMPLE IRAs or make a Roth IRA conversion?

No ▶ Enter the amount from line 3 on line 14. Do not complete the rest of Part I.

Yes ▶ Go to line 4.

4	Enter those contributions included on line 1 that were made from January 1, 2005, through April 15, 2005	4	
5	Subtract line 4 from line 3	5	
6	Enter the value of **all** your traditional, SEP, and SIMPLE IRAs as of December 31, 2004, plus any outstanding rollovers (see page 6 of the instructions)	6	
7	Enter your distributions from traditional, SEP, and SIMPLE IRAs in 2004. **Do not** include rollovers, conversions to a Roth IRA, certain returned contributions, or recharacterizations of traditional IRA contributions (see page 6 of the instructions)	7	
8	Enter the net amount you converted from traditional, SEP, and SIMPLE IRAs to Roth IRAs in 2004. **Do not** include amounts converted that you later recharacterized (see page 6 of the instructions). Also enter this amount on line 16	8	
9	Add lines 6, 7, and 8	9	
10	Divide line 5 by line 9. Enter the result as a decimal rounded to at least 3 places. If the result is 1.000 or more, enter "1.000"	10	
11	Multiply line 8 by line 10. This is the nontaxable portion of the amount you converted to Roth IRAs. Also enter this amount on line 17	11	
12	Multiply line 7 by line 10. This is the nontaxable portion of your distributions that you did not convert to a Roth IRA	12	
13	Add lines 11 and 12. This is the nontaxable portion of all your distributions	13	
14	Subtract line 13 from line 3. This is **your total basis in traditional IRAs for 2004 and earlier years**	14	12,670
15	**Taxable amount.** Subtract line 12 from line 7. Also include this amount on Form 1040, line 15b; Form 1040A, line 11b; or Form 1040NR, line 16b	15	

Note: You may be subject to an additional 10% tax on the amount on line 15 if you were under age 59 1/2 at the time of the distribution (see page 7 of the instructions).

Form **8606**

Department of the Treasury
Internal Revenue Service (99)

Nondeductible IRAs

▶ See separate instructions.

▶ Attach to Form 1040, Form 1040A, or Form 1040NR.

OMB No. 1545-1007

2004

Attachment Sequence No. **48**

Name. If married, file a separate form for each spouse required to file Form 8606. See page 5 of the instructions.

MARY B CHARITY

Your social security number

400-00-7568

Fill In Your Address Only if You Are Filing This Form by Itself and Not With Your Tax Return ▶

Home address (number and street, or P.O. box if mail is not delivered to your home) | Apt. no.

City, town or post office, state, and ZIP code

Part I **Nondeductible Contributions to Traditional IRAs and Distributions From Traditional, SEP, and SIMPLE IRAs**

Complete this part only if:

- You made nondeductible contributions to a traditional IRA for 2004,
- You took distributions from a traditional, SEP, or SIMPLE IRA in 2004 (other than a rollover, conversion, recharacterization, or return of certain contributions) **and** you made nondeductible contributions to a traditional IRA in 2004 or an earlier year, **or**
- You converted part, but not all, of your traditional, SEP, and SIMPLE IRAs to Roth IRAs in 2004 (excluding any portion you recharacterized) **and** you made nondeductible contributions to a traditional IRA in 2004 or an earlier year.

1	Enter your nondeductible contributions to traditional IRAs for 2004, including those made for 2004 from January 1, 2005, through April 15, 2005 (see page 5 of the instructions)			1	870
2	Enter your total basis in traditional IRAs (see page 5 of the instructions)			2	18,940
3	Add lines 1 and 2			3	19,810

In 2004, did you take a distribution from traditional, SEP, or SIMPLE IRAs or make a Roth IRA conversion?

No ▶ Enter the amount from line 3 on line 14. Do not complete the rest of Part I.

Yes ▶ Go to line 4.

4	Enter those contributions included on line 1 that were made from January 1, 2005, through April 15, 2005			4	
5	Subtract line 4 from line 3			5	
6	Enter the value of **all** your traditional, SEP, and SIMPLE IRAs as of December 31, 2004, plus any outstanding rollovers (see page 6 of the instructions)	6			
7	Enter your distributions from traditional, SEP, and SIMPLE IRAs in 2004. **Do not** include rollovers, conversions to a Roth IRA, certain returned contributions, or recharacterizations of traditional IRA contributions (see page 6 of the instructions)	7			
8	Enter the net amount you converted from traditional, SEP, and SIMPLE IRAs to Roth IRAs in 2004. **Do not** include amounts converted that you later recharacterized (see page 6 of the instructions). Also enter this amount on line 16	8			
9	Add lines 6, 7, and 8 ... 9				
10	Divide line 5 by line 9. Enter the result as a decimal rounded to at least 3 places. If the result is 1.000 or more, enter "1.000"	10			
11	Multiply line 8 by line 10. This is the nontaxable portion of the amount you converted to Roth IRAs. Also enter this amount on line 17	11			
12	Multiply line 7 by line 10. This is the nontaxable portion of your distributions that you did not convert to a Roth IRA	12			
13	Add lines 11 and 12. This is the nontaxable portion of all your distributions			13	
14	Subtract line 13 from line 3. This is **your total basis in traditional IRAs for 2004 and earlier years**			14	19,810
15	**Taxable amount.** Subtract line 12 from line 7. Also include this amount on Form 1040, line 15b; Form 1040A, line 11b; or Form 1040NR, line 16b			15	

Note: You may be subject to an additional 10% tax on the amount on line 15 if you were under age 59 1/2 at the time of the distribution (see page 7 of the instructions).

Form **2106**

Department of the Treasury
Internal Revenue Service (99)

Employee Business Expenses

▶ **See separate instructions.**

▶ **Attach to Form 1040.**

OMB No. 1545-0139

2004

Attachment Sequence No. **54**

Your name	Occupation in which you incurred expenses	Social security number
TEST L CHARITY	CONSTRUCTION FOREMAN	400-00-7521

Part I Employee Business Expenses and Reimbursements

Step 1 Enter Your Expenses		Column A Other Than Meals and Entertainment	Column B Meals and Entertainment
1 Vehicle expense from line 22 or line 29. (Rural mail carriers: See instructions.)	1		
2 Parking fees, tolls, and transportation, including train, bus, etc., that **did not** involve overnight travel or commuting to and from work	2		
3 Travel expense while away from home overnight, including lodging, airplane, car rental, etc. **Do not** include meals and entertainment	3	1,600	
4 Business expenses not included on lines 1 through 3. **Do not** include meals and entertainment	4	460	
5 Meals and entertainment expenses (see instructions)	5		350
6 Total expenses. In Column A, add lines 1 through 4 and enter the result. In Column B, enter the amount from line 5	6	2,060	350

Note: If you were not reimbursed for any expenses in Step 1, skip line 7 and enter the amount from line 6 on line 8.

Step 2 Enter Reimbursements Received From Your Employer for Expenses Listed in Step 1

7 Enter reimbursements received from your employer that were **not** reported to you in box 1 of Form W-2. Include any reimbursements reported under code "L" in box 12 of your Form W-2 (see instructions)	7	329	21

Step 3 Figure Expenses To Deduct on Schedule A (Form 1040)

8 Subtract line 7 from line 6. If zero or less, enter -0-. However, if line 7 is greater than line 6 in Column A, report the excess as income on Form 1040, line 7	8	1,731	329
Note: If **both columns** of line 8 are zero, you cannot deduct employee business expenses. Stop here and attach Form 2106 to your return.			
9 In Column A, enter the amount from line 8. In Column B, multiply line 8 by 50% (.50). (Employees subject to Department of Transportation (DOT) hours of service limits: Multiply meal expenses incurred while away from home on business by 70% (.70) instead of 50%. For details, see instructions.)	9	1,731	165
10 Add the amounts on line 9 of both columns and enter the total here. **Also, enter the total on Schedule A (Form 1040), line 20.** (Armed Forces reservists, fee-basis state or local government officials, qualified performing artists, and individuals with disabilities: See the instructions for special rules where to enter the total.) ▶		10	1,896

Form **2106**

Department of the Treasury
Internal Revenue Service (99)

Employee Business Expenses

▶ **See separate instructions.**

▶ **Attach to Form 1040.**

OMB No. 1545-0139

2004

Attachment Sequence No. **54**

Your name	Occupation in which you incurred expenses	Social security number
MARY B CHARITY	REAL ESTATE PROFESSIONAL	400-00-7568

Part I **Employee Business Expenses and Reimbursements**

Step 1 Enter Your Expenses		Column A Other Than Meals and Entertainment	Column B Meals and Entertainment
1 Vehicle expense from line 22 or line 29. (Rural mail carriers: See instructions.)	1	1,365	
2 Parking fees, tolls, and transportation, including train, bus, etc., that **did not** involve overnight travel or commuting to and from work	2		
3 Travel expense while away from home overnight, including lodging, airplane, car rental, etc. **Do not** include meals and entertainment	3	890	
4 Business expenses not included on lines 1 through 3. **Do not** include meals and entertainment	4	325	
5 Meals and entertainment expenses (see instructions)	5		988
6 **Total expenses.** In Column A, add lines 1 through 4 and enter the result. In Column B, enter the amount from line 5	6	2,580	988

Note: If you were not reimbursed for any expenses in Step 1, skip line 7 and enter the amount from line 6 on line 8.

Step 2 Enter Reimbursements Received From Your Employer for Expenses Listed in Step 1

7 Enter reimbursements received from your employer that were **not** reported to you in box 1 of Form W-2. Include any reimbursements reported under code "L" in box 12 of your Form W-2 (see instructions)	7	414	161

Step 3 Figure Expenses To Deduct on Schedule A (Form 1040)

8 Subtract line 7 from line 6. If zero or less, enter -0-. However, if line 7 is greater than line 6 in Column A, report the excess as income on Form 1040, line 7	8	2,166	827
Note: If **both columns** of line 8 are zero, you cannot deduct employee business expenses. Stop here and attach Form 2106 to your return.			
9 In Column A, enter the amount from line 8. In Column B, multiply line 8 by 50% (.50). (Employees subject to Department of Transportation (DOT) hours of service limits: Multiply meal expenses incurred while away from home on business by 70% (.70) instead of 50%. For details, see instructions.)	9	2,166	414
10 Add the amounts on line 9 of both columns and enter the total here. **Also, enter the total on Schedule A (Form 1040), line 20.** (Armed Forces reservists, fee-basis state or local government officials, qualified performing artists, and individuals with disabilities: See the instructions for special rules where to enter the total.) ▶	10		2,580

Part II Vehicle Expenses

Section A - General Information (You must complete this section if you are claiming vehicle expenses.)

			(a) Vehicle 1	(b) Vehicle 2
11	Enter the date the vehicle was placed in service	11	2000-12-01	
12	Total miles the vehicle was driven during 2004	12	18,000 miles	miles
13	Business miles included on line 12	13	3,640 miles	miles
14	Percent of business use. Divide line 13 by line 12	14	20.22 %	%
15	Average daily roundtrip commuting distance	15	5 miles	miles
16	Commuting miles included on line 12	16	520 miles	miles
17	Other miles. Add lines 13 and 16 and subtract the total from line 12	17	13,840 miles	miles

		Yes	No
18	Do you (or your spouse) have another vehicle available for personal use?	X Yes	No
19	Was your vehicle available for personal use during off-duty hours?	X Yes	No
20	Do you have evidence to support your deduction?	X Yes	No
21	If "Yes," is the evidence written?	X Yes	No

Section B - Standard Mileage Rate (See the instructions for Part II to find out whether to complete this section or Section C.)

22	Multiply line 13 by 37.5 cents (.375)	22	1,365

Section C - Actual Expenses

			(a) Vehicle 1		(b) Vehicle 2	
23	Gasoline, oil, repairs, vehicle insurance, etc.	23				
24 a	Vehicle rentals	24a				
b	Inclusion amount (see instructions)	24b				
c	Subtract line 24b from line 24a	24c				
25	Value of employer-provided vehicle (applies only if 100% of annual lease value was included on Form W-2 - see instructions)	25				
26	Add lines 23, 24c, and 25	26				
27	Multiply line 26 by the percentage on line 14	27				
28	Depreciation. Enter amount from line 38 below	28				
29	Add lines 27 and 28. Enter total here and on line 1	29				

Section D - Depreciation of Vehicles (Use this section only if you owned the vehicle and are completing Section C for the vehicle.)

			(a) Vehicle 1		(b) Vehicle 2	
30	Enter cost or other basis (see instructions)	30				
31	Enter section 179 deduction and special allowance (see instructions)	31				
32	Multiply line 30 by line 14 (see instructions if you claimed the section 179 deduction or special allowance)	32				
33	Enter depreciation method and percentage (see instructions)	33				
34	Multiply line 32 by the percentage on line 33 (see instructions)	34				
35	Add lines 31 and 34	35				
36	Enter the applicable limit explained in the line 36 instructions	36				
37	Multiply line 36 by the percentage on line 14	37				
38	Enter the **smaller** of line 35 or line 37. Also enter this amount on line 28 above	38				

Form **4562**

Department of the Treasury
Internal Revenue Service

Depreciation and Amortization
(Including Information on Listed Property)

▶ See separate instructions. ▶ Attach to your tax return.

OMB No. 1545-0172

2004

Attachment Sequence No. **67**

Name(s) shown on return	Business or activity to which this form relates	Identifying number
TEST L & MARY B CHARITY	SCHEDULE E - 1	400-00-7521

Part I **Election To Expense Certain Property Under Section 179**

Note: If you have any listed property, complete Part V before you complete Part I.

1	Maximum amount. See page 2 of the instructions for a higher limit for certain businesses	1	$102,000
2	Total cost of section 179 property placed in service (see page 3 of the instructions)	2	
3	Threshold cost of section 179 property before reduction in limitation	3	$410,000
4	Reduction in limitation. Subtract line 3 from line 2. If zero or less, enter -0-	4	
5	Dollar limitation for tax year. Subtract line 4 from line 1. If zero or less, enter -0-. If married filing separately, see page 3 of the instructions	5	

	(a) Description of property	(b) Cost (business use only)	(c) Elected cost
6			
7	Listed property. Enter the amount from line 29	7	

8	Total elected cost of section 179 property. Add amounts in column (c), lines 6 and 7	8	
9	Tentative deduction. Enter the **smaller** of line 5 or line 8	9	
10	Carryover of disallowed deduction from line 13 of your 2003 Form 4562	10	
11	Business income limitation. Enter the smaller of business income (not less than zero) or line 5 (see instructions)	11	
12	Section 179 expense deduction. Add lines 9 and 10, but do not enter more than line 11	12	
13	Carryover of disallowed deduction to 2005. Add lines 9 and 10, less line 12 ▶	13	

Note: Do not use Part II or Part III below for listed property. Instead, use Part V.

Part II **Special Deduction Allowance and Other Depreciation** (**Do not** include listed property.)

14	Special depreciation allowance for qualified property (other than listed property) placed in service during the tax year (see page 3 of the instructions)	14	
15	Property subject to section 168(f)(1) election (see page 4 of the instructions)	15	
16	Other depreciation (including ACRS) (see page 4 of the instructions)	16	

Part III **MACRS Depreciation** (**Do not** include listed property.) (See page 5 of the instructions.)

Section A

17	MACRS deductions for assets placed in service in tax years beginning before 2004	17	
18	If you are electing under section 168(i)(4) to group any assets placed in service during the tax year into one or more general asset accounts, check here ▶ ☐		

Section B - Assets Placed in Service During 2004 Tax Year Using the General Depreciation System

(a) Classification of property	(b) Month and year placed in service	(c) Basis for depreciation (business/investment use only-see instructions)	(d) Recovery period	(e) Convention	(f) Method	(g) Depreciation deduction
19a 3-year property						
b 5-year property						
c 7-year property						
d 10-year property						
e 15-year property						
f 20-year property						
g 25-year property			25 yrs.		S/L	
h Residential rental			27.5 yrs.	MM	S/L	
property			27.5 yrs.	MM	S/L	
i Nonresidential real			39 yrs.	MM	S/L	
property				MM	S/L	

Section C - Assets Placed in Service During 2004 Tax Year Using the Alternative Depreciation System

(a) Classification of property	(b) Month and year placed in service	(c) Basis for depreciation	(d) Recovery period	(e) Convention	(f) Method	(g) Depreciation deduction
20a Class life					S/L	
b 12-year			12 yrs.		S/L	
c 40-year			40 yrs.	MM	S/L	

Part IV **Summary** (see page 7 of the instructions)

21	Listed property. Enter amount from line 28	21	
22	**Total.** Add amounts from line 12, lines 14 through 17, lines 19 and 20 in column (g), and line 21. Enter here and on the appropriate lines of your return. Partnerships and S corporations - see instr	22	
23	For assets shown above and placed in service during the current year, enter the portion of the basis attributable to section 263A costs	23	

Part V Listed Property

(Include automobiles, certain other vehicles, cellular telephones, certain computers, and property used for entertainment, recreation, or amusement.)

Note: For any vehicle for which you are using the standard mileage rate or deducting lease expense, complete **only** 24a, 24b, columns (a) through (c) of Section A, all of Section B, and Section C if applicable.

Section A - Depreciation and Other Information (Caution: See page 8 of the instructions for limits for passenger automobiles.**)**

24a Do you have evidence to support the business/investment use claimed? X **Yes** **No** **24b** If "Yes," is the evidence written? X **Yes** **No**

(a) Type of property (list vehicles first)	(b) Date placed in service	(c) Business/ investment use percentage	(d) Cost or other basis	(e) Basis for depreciation (business/investment use only)	(f) Recovery period	(g) Method/ Convention	(h) Depreciation deduction	(i) Elected section 179 cost
25 Special depreciation allowance for qualified listed property placed in service during the tax year and used more than 50% in a qualified business use (see page 8 of the instructions)						25		
26 Property used more than 50% in a qualified business use (see page 8 of the instructions):								
		%						
		%						
		%						
27 Property used 50% or less in a qualified business use (see page 8 of the instructions):								
AUTOMOBILE	20010601	37 %				S/L-		
		%				S/L-		
		%				S/L-		
28 Add amounts in column (h), lines 25 through 27. Enter here and on line 21, page 1						28		
29 Add amounts in column (i), line 26. Enter here and on line 7, page 1							29	

Section B - Information on Use of Vehicles

Complete this section for vehicles used by a sole proprietor, partner, or other "more than 5% owner," or related person.

If you provided vehicles to your employees, first answer the questions in Section C to see if you meet an exception to completing this section for those vehicles.

	(a) Vehicle 1		(b) Vehicle 2		(c) Vehicle 3		(d) Vehicle 4		(e) Vehicle 5		(f) Vehicle 6	
30 Total business/investment miles driven during the year (**do not** include commuting miles - see page 2 of the instructions)	12,432											
31 Total commuting miles driven during the year	2,600											
32 Total other personal (noncommuting) miles driven	18,536											
33 Total miles driven during the year. Add lines 30 through 32	33,568											
	Yes	**No**	**Yes**	**No**	**Yes**	**No**	**Yes**	**No**	**Yes**	**No**	**Yes**	**No**
34 Was the vehicle available for personal use during off-duty hours?	X											
35 Was the vehicle used primarily by a more than 5% owner or related person?	X											
36 Is another vehicle available for personal use?	X											

Section C - Questions for Employers Who Provide Vehicles for Use by Their Employees

Answer these questions to determine if you meet an exception to completing Section B for vehicles used by employees who **are not** more than 5% owners or related persons (see page 10 of the instructions).

	Yes	No
37 Do you maintain a written policy statement that prohibits all personal use of vehicles, including commuting, by your employees?		
38 Do you maintain a written policy statement that prohibits personal use of vehicles, except commuting, by your employees? See page 10 of the instructions for vehicles used by corporate officers, directors, or 1% or more owners		
39 Do you treat all use of vehicles by employees as personal use?		
40 Do you provide more than five vehicles to your employees, obtain information from your employees about the use of the vehicles, and retain the information received?		
41 Do you meet the requirements concerning qualified automobile demonstration use? (See page 10 of the instructions.)		
Note: If your answer to 37, 38, 39, 40, or 41 is "Yes," do not complete Section B for the covered vehicles.		

Part VI Amortization

(a) Description of costs	(b) Date amortization begins	(c) Amortizable amount	(d) Code section	(e) Amortization period or percentage	(f) Amortization for this year
42 Amortization of costs that begins during your 2004 tax year (see page 11 of the instructions):					
43 Amortization of costs that began before your 2004 tax year				43	
44 **Total.** Add amounts in column (f). See page 12 of the instructions for where to report				44	

Form **8582**

Department of the Treasury
Internal Revenue Service (99)

Passive Activity Loss Limitations

▶ See separate instructions.
Attach to Form 1040 or Form 1041.

OMB No. 1545-1008
2004
Attachment Sequence No. **88**

Name(s) shown on return: TEST L & MARY B CHARITY
Identifying number: 400-00-7521

Part I 2004 Passive Activity Loss

Caution: See the instructions for Worksheets 1, 2, and 3 on pages 7 and 8 before completing Part I.

Rental Real Estate Activities With Active Participation (For the definition of active participation see **Special Allowance for Rental Real Estate Activities** on page 3 of the instructions.)				
1a Activities with net income (enter the amount from Worksheet 1, column (a))	1a			
b Activities with net loss (enter the amount from Worksheet 1, column (b))	1b	( )		
c Prior years unallowed losses (enter the amount from Worksheet 1, column (c))	1c	( )		
d Combine lines 1a, 1b, and 1c			1d	
Commercial Revitalization Deductions From Rental Real Estate Activities				
2a Commercial revitalization deductions from Worksheet 2, column (a)	2a	( )		
b Prior year unallowed commercial revitalization deductions from Worksheet 2, column (b)	2b	( )		
c Add lines 2a and 2b			2c	( )
All Other Passive Activities				
3a Activities with net income (enter the amount from Worksheet 3, column (a))	3a	3,240		
b Activities with net loss (enter the amount from Worksheet 3, column (b))	3b	(4,162)		
c Prior years unallowed losses (enter the amount from Worksheet 3, column (c))	3c	( )		
d Combine lines 3a, 3b, and 3c			3d	(922)
4 Combine lines 1d, 2c, and 3d. If the result is net income or zero, all losses are allowed, including any prior year unallowed losses entered on line 1c, 2b, or 3c. **Do not** complete Form 8582. Report the losses on the forms and schedules normally used			4	(922)

If line 4 is a loss and:
- Line 1d is a loss, go to Part II.
- Line 2c is a loss (and line 1d is zero or more), skip Part II and go to Part III.
- Line 3d is a loss (and lines 1d and 2c are zero or more), skip Parts II and III and go to line 15.

Caution: If your filing status is married filing separately and you lived with your spouse at any time during the year, **do not** complete Part II or Part III. Instead, go to line 15.

Part II Special Allowance for Rental Real Estate With Active Participation

Note: Enter all numbers in Part II as positive amounts. See page 8 for an example.

5 Enter the **smaller** of the loss on line 1d or the loss on line 4			5	
6 Enter $150,000. If married filing separately, see page 8	6			
7 Enter modified adjusted gross income, but not less than zero (see page 8)	7			
Note: If line 7 is greater than or equal to line 6, skip lines 8 and 9, enter -0- on line 10. Otherwise, go to line 8.				
8 Subtract line 7 from line 6	8			
9 Multiply line 8 by 50% (.5). **Do not** enter more than $25,000. If married filing separately, see page 8			9	
10 Enter the **smaller** of line 5 or line 9			10	0

If line 2c is a loss, go to Part III. Otherwise, go to line 15.

Part III Special Allowance for Commercial Revitalization Deductions From Rental Real Estate Activities

Note: Enter all numbers in Part III as positive amounts. See the example for Part II on page 8.

11 Enter $25,000 reduced by the amount, if any, on line 10. If married filing separately, see instructions	11	
12 Enter the loss from line 4	12	
13 Reduce line 12 by the amount on line 10	13	
14 Enter the **smallest** of line 2c (treated as a positive amount), line 11, or line 13	14	

Part IV Total Losses Allowed

15 Add the income, if any, on lines 1a and 3a and enter the total	15	3,240
16 **Total losses allowed from all passive activities for 2004.** Add lines 10, 14, and 15. See pages 10 and 11 of the instructions to find out how to report the losses on your tax return	16	3,240

What Is Form 1040-V and Do You Have To Use It?

It is a statement you send with your check or money order for any balance due on line 74 of your 2004 Form 1040. Using Form 1040-V allows us to process your payment more accurately and efficiently. We strongly encourage you to use Form 1040-V, but there is no penalty if you do not.

How To Fill In Form 1040-V

Line 1. Enter your social security number (SSN). If you are filing a joint return, enter the SSN shown first on your return.
Line 2. If you are filing a joint return, enter the SSN shown second on your return.
Line 3. Enter the amount you are paying by check or money order.
Line 4. Enter your name(s) and address exactly as shown on your return. Please print clearly.

How To Prepare Your Payment

- Make your check or money order payable to the **"United States Treasury."** Do not send cash.
- Make sure your name and address appear on your check or money order.
- Enter "2004 Form 1040," your daytime phone number, and your SSN on your check or money order. If you are filing a joint return, enter the SSN shown first on your return.
- To help process your payment, enter the amount on the right side of your check like this: $ XXX.XX. Do not use dashes or lines (for example, do not enter "$ XXX—" or "$ XXX $\frac{xx}{100}$ ").

How To Send In Your 2004 Tax Return, Payment, and Form 1040-V

- Detach Form 1040-V along the dotted line.
- Do not staple or otherwise attach your payment or Form 1040-V to your return or to each other. Instead, just put them loose in the envelope.
- Mail your 2004 tax return, payment, and Form 1040-V in the envelope that came with your 2004 Form 1040 instruction booklet.

Note. If you do not have that envelope or you moved or used a paid preparer, mail your return, payment, and Form 1040-V to the Internal Revenue Service at the address shown that applies to you.

Paperwork Reduction Act Notice. We ask for the information on Form 1040-V to help us carry out the Internal Revenue laws of the United States. If you use Form 1040-V, you must provide the requested information. Your cooperation will help us ensure that we are collecting the right amount of tax.

You are not required to provide the information requested on a form that is subject to the Paperwork Reduction Act unless the form displays a valid OMB control number. Books or records relating to a form or its instructions must be retained as long as their contents may become material in the administration of any Internal Revenue law. Generally, tax returns and return information are confidential, as required by Internal Revenue Code section 6103.

The time needed to complete and mail Form 1040-V will vary depending on individual circumstances. The estimated average time is 12 minutes. If you have comments about the accuracy of this time estimate or suggestions for making Form 1040-V simpler, we would be happy to hear from you. See the Instructions for Form 1040.

EEA

▼ **Detach Here and Mail With Your Payment and Return** ▼

Form **1040-V** (2004)

CHAR

Form **1040-V** Department of the Treasury Internal Revenue Service (99)

Payment Voucher

▶ **Do not staple or attach this voucher to your payment or return.**

OMB No. 1545-0074 **2004**

1 Your social security number (SSN) 400-00-7521	2 If a joint return, SSN shown second on your return 400-00-7568	3 **Amount you are paying by check or money order**	Dollars 270	Cents
4 Your first name and initial TEST L		Last name CHARITY		
If a joint return, spouse's first name and initial MARY B		Last name CHARITY		
Home address (number and street) 923 HOPE ST			Apt. no.	
City, town or post office, state, and ZIP code DOUGLAS, AZ 85607				

Declaration Control Number (DCN)

00 – 561332 – 07521 – 5

IRS Use Only - Do not write or staple in this space.

Form **8453**

Department of the Treasury
Internal Revenue Service

U.S. Individual Income Tax Declaration for an IRS e-file Return

For the year January 1-December 31, 2004

▶ **See instructions.**

OMB No. 1545-0936

2004

Use the IRS label. Otherwise, please print or type.

LABEL HERE

Your first name and initial	Last name	Your social security number
TEST L	CHARITY	400-00-7521
If a joint return, spouse's first name and initial	Last name	Spouse's social security number
MARY B	CHARITY	400-00-7568
Home address (number and street). If you have a P.O. box, see instructions.	Apt. no.	
923 HOPE ST		
City, town or post office, state, and ZIP code		Daytime phone number
DOUGLAS, AZ 85607		520-349-5960

▲ **Important!** ▲ You **must** enter your SSN(s) above.

Part I Tax Return Information (Whole dollars only)

1	Adjusted gross income (Form 1040, line 37; Form 1040A, line 22; Form 1040EZ, line 4)	1	63,651
2	Total tax (Form 1040, line 62; Form 1040A, line 38; Form 1040EZ, line 10)	2	2,030
3	Federal income tax withheld (Form 1040, line 63; Form 1040A, line 39; Form 1040EZ, line 7)	3	1,560
4	Refund (Form 1040, line 72a; Form 1040A, line 45a; Form 1040EZ, line 11a)	4	
5	Amount you owe (Form 1040, line 74; Form 1040A, line 47; Form 1040EZ, line 12)	5	270

Part II Declaration of Taxpayer (Sign only after Part I is completed.) **Be sure to keep a copy of your tax return.**

6a ☐ I consent that my refund be directly deposited as designated in the electronic portion of my 2004 Federal income tax return. If I have filed a joint return, this is an irrevocable appointment of the other spouse as an agent to receive the refund.

b ☒ I do not want direct deposit of my refund **or** I am not receiving a refund.

c ☐ I authorize the U.S. Treasury and its designated Financial Agent to initiate an ACH electronic funds withdrawal entry to the financial institution account indicated in the tax preparation software for payment of my Federal taxes owed on this return and/or a payment of estimated tax. I further understand that this authorization may apply to subsequent Federal tax payments that I direct to be debited through the Electronic Federal Tax Payment System (EFTPS). In order for me to initiate subsequent payments, I request that the IRS send me a personal identification number (PIN) to access EFTPS. This authorization is to remain in full force and effect until I notify the U.S. Treasury Financial Agent to terminate the authorization. To revoke a payment, I must contact the U.S. Treasury Financial Agent at **1-888-353-4537** no later than 2 business days prior to the payment (settlement) date. I also authorize the financial institutions involved in the processing of the electronic payment of taxes to receive confidential information necessary to answer inquiries and resolve issues related to the payment.

If I have filed a balance due return, I understand that if the IRS does not receive full and timely payment of my tax liability, I will remain liable for the tax liability and all applicable interest and penalties. If I have filed a joint Federal and state tax return and there is an error on my state return, I understand my Federal return will be rejected.

Under penalties of perjury, I declare that I have examined a copy of my electronic individual income tax return and accompanying schedules and statements for the tax year ending December 31, 2004, and to the best of my knowledge and belief, it is true, correct, and complete. I further declare that the amounts in Part I above are the amounts shown on the copy of my electronic income tax return. I consent to allow my electronic return originator (ERO) to send my return to the IRS and to receive from the IRS **(a)** an acknowledgment of receipt or reason for rejection of the transmission, **(b)** an indication of any refund offset, **(c)** the reason for any delay in processing the return, and **(d)** the date of any refund.

Sign Here ▶ Your signature | Date ▶ Spouse's signature. If a joint return, **both** must sign. | Date

Part III Declaration of Electronic Return Originator (ERO) and Paid Preparer (See instructions.)

I declare that I have reviewed the above taxpayer's return and that the entries on Form 8453 are complete and correct to the best of my knowledge. If I am only a collector, I am not responsible for reviewing the return and only declare that this form accurately reflects the data on the return. The taxpayer will have signed this form before I submit the return. I will give the taxpayer a copy of all forms and information to be filed with the IRS, and have followed all other requirements in **Pub. 1345,** Handbook for Authorized IRS e-file Providers. If I am also the Paid Preparer, under penalties of perjury I declare that I have examined the above taxpayer's return and accompanying schedules and statements, and to the best of my knowledge and belief, they are true, correct, and complete. This Paid Preparer declaration is based on all information of which I have any knowledge.

ERO's Use Only

ERO's signature ▶		Date	Check if also paid preparer ☐	Check if self-employed ☐	ERO's SSN or PTIN
Firm's name (or yours if self-employed), address, and ZIP code ▶	DRAKE SOFTWARE 235 E PALMER STREET FRANKLIN, NC 28734				EIN 56-1494243 Phone no. 828-524-8020

Under penalties of perjury, I declare that I have examined the above taxpayer's return and accompanying schedules and statements, and to the best of my knowledge and belief, they are true, correct, and complete. This declaration is based on all information of which I have any knowledge.

Paid Preparer's Use Only

Preparer's signature ▶		Date	Check if self-employed ☐	Preparer's SSN or PTIN
Firm's name (or yours if self-employed), address, and ZIP code ▶				EIN Phone no.

Instructions for Form D-400V, Payment Voucher

What Is Form D-400V and Why Should You Use It?

It is a statement you send with your payment of any balance due on your 2004 Form D-400. Using Form D-400V allows us to process your payment more accurately and efficiently. We strongly encourage you to use Form D-400V.

Preparing and Sending Your Payment

- Make your check or money order payable in U.S. dollars to the **NC Department of Revenue. Note:** The Department will not accept a check, money order, or cashier's check unless it is drawn on a U.S. (domestic) bank and the funds are payable in U.S. dollars.
- Make sure your name and address appear on your check or money order.
- Enter "2004 Form D-400," your daytime phone number, and your SSN on your check or money order. If you are filing a joint return, enter the SSN shown first on your return.

What if You File Electronically?

If you choose to file electronically and have a balance due, follow your transmitter's or preparer's instructions for making your payment.

Other Payment Methods

In lieu of using the payment voucher below, you may pay your tax online by bank draft, or debit or credit card using Visa or Mastercard. For details, go to our website at **www.dor.state.nc.us** and click on **Electronic Services.**

Important Reminders

- **Do not** staple, tape, paper clip or otherwise attach your check or money order to the voucher
- **Do not** fold the voucher or check
- **Do not** use the voucher to pay quarterly estimated tax
- **Do not** use a photocopy of the voucher
- **Do not** use another person's voucher
- **Do not** send cash

Do not use this payment voucher if you pay your tax on-line.

Cut Here

D-400V (45)
8-22-02

Individual Income Payment Voucher

North Carolina Department of Revenue

CHAR 923 85607 For Calendar Year 2004

TEST L CHARITY 400007521

MARY B CHARITY 400007568

AMOUNT OF THIS PAYMENT
This must match the amount shown on your check or money order.

923 HOPE ST

DOUGLAS AZ 85607

$ 253.00

Mail to: NCDOR, PO Box 25000, Raleigh, NC 27640-0640

7270145004

20044 4000075219 0000000 06408

D-400 **(45)** 9-25-04

Individual Income Tax Return 2004

< Staple W-2s Here

North Carolina Department of Revenue

For calendar year 2004, or other tax year starting and ending

NC Public Campaign Fund

This fund pays for a nonpartisan voter guide and helps fund judicial candidates who accept strict fundraising and spendin limits. Do you agree that $3 should go to this fund? Agreeing to allocate to the fund will not increase your tax or reduce you refund.

You ☐ Yes ☐ No

Your Spouse ☐ Yes ☐ No

TEST L CHARITY MARY B CHARITY
923 HOPE ST Your SSN: 400007521
DOUGLAS AZ 85607 COCHI Spouse's SSN: 400007568

Filing Status

☐ 1. Single
☒ 2. Married Filing Jointly
☐ 3. Married Filing Separately
☐ 4. Head of Household
☐ 5. Widow(er) with Dependent Child
Year spouse died:

Number of Exemptions Claimed: 05

☐ Return for deceased taxpayer
Date of death:
☐ Return for deceased spouse
Date of death:

Political Parties Financing Fund

You	Your Spouse
☐ Democratic	☐ Democratic
☐ Republican	☐ Republican
☐ Unspecified	☐ Unspecified

For Computer Use Only

CHAR 923 85607 FS 2 EX 05 PP N DT N DS N

TEST L CHARITY 400007521 PCT PFT 0

MARY B CHARITY 400007568 PCS PFS 0

923 HOPE ST DOUGLAS AZ 85607

AGI	63651	22B	0	37	0
06	37178	PE		39	0
07	4795	23	253	40	0
09	0	25	0	41	0
15	88	26	0	42	0
17	0	28	0	43	0
19A	124	29	10973	44	0
19B	275	30	6000	45	0
20A	0	32	1795	47	20840
20B	0	33	1795	48	0
20C	0	34	3000	50	71011
20D	0	35	0	TN	5203495960
22A	253	36	0	PN	

7020145006

PP

NCDOR Use Only

Sign Return Below ☐ **Refund Due** 0 ☒ **Payment Due** 253

I certify that, to the best of my knowledge, this return is accurate and complete.

If prepared by a person other than taxpayer, this certification is based on all information of which the preparer has any knowledge

Your Signature Date

Spouse's Signature (If filing joint return, both must sign.) Date

Paid Preparer's Signature Date

Daytime Telephone Number (Include area code) 5203495960

Paid Preparer's FEIN, SSN, or PTIN

Paid Preparer's Telephone Number

If you ARE NOT due a refund, mail return, any payment, and Form D-400V to: NCDOR, P.O. Box 25000, Raleigh, N.C. 27640-0640

If REFUND mail to: NCDOR, P.O. Box R, Raleigh, N.C. 27634-0001

Last Name (First 10 Characters) CHARITY Your Social Security Number 400007521

D-400 Line-by-Line Information

AGI	Federal Adjusted Gross Income	AGI	63651
6.	Taxable Income from Federal Return	6.	37178
7.	Additions to Federal Taxable Income	7.	4795
8.	Add Lines 6 and 7	8.	41973
9.	Deductions from Federal Taxable Income	9.	0
10.	Line 8 minus Line 9	10.	41973
11.	Same as Line 10	11.	41973
12.	Part-year residents and nonresidents	12.	0.2935
13.	N.C. Taxable Income	13.	12319
14.	N.C. Income Tax	14.	740
15.	Tax Credits	15.	88
16.	Line 14 minus Line 15	16.	652
17.	Consumer Use Tax	17.	0
18.	Add Lines 16 and 17	18.	652

North Carolina Income Tax Withheld

19a.	Your Income Tax Withheld	19a.	124
19b.	Spouse's Income Tax Withheld	19b.	275

Other Tax Payments

20a.	2004 Estimated Tax	20a.	0
20b.	Paid with Extension	20b.	0
20c.	Partnership	20c.	0
20d.	S Corporation	20d.	0
21.	Add Lines 19a through 20d	21.	399
22a.	If Line 18 is more than Line 21, subtract and enter the result	22a.	253
22b.	Penalty for underpayment of estimated income tax	22b.	0
PE	Penalty Exception	PE	
22c.	Other penalties and interest	22c.	0
23.	**Pay this Amount**	23.	253
24.	If Line 18 is less than Line 21, subtract and enter the result	24.	0

Amount of Refund to Apply to:

25.	Amount of Line 24 to be applied to 2005 Estimated Income Tax	25.	0
26.	N.C. Nongame and Endangered Wildlife Fund	26.	0
27.	Add Lines 25 and 26	27.	0
28.	**Amount to be Refunded**	28.	0

Additions to Federal Taxable Income

29.	Itemized deductions or standard deduction from your federal return	29.	10973
30.	N.C. standard deduction		

Single $3,000; Head of household $4,400;
Qualifying widow(er) $6,000; Married filing jointly $6,000;
Married filing separately:
If your spouse does NOT claim itemized deductions $3,000;
If your spouse claims itemized deductions $0

	NOTE: If 65 or older or blind or if someone can claim you as a dependent, see worksheet.	30.	6000
31.	Line 29 minus 30 - Amount cannot be less than zero	31.	4973
32.	State, local, and foreign income taxes	32.	1795
33.	Line 31 or 32, whichever is less	33.	1795
34.	Personal exemption adjustment	34.	3000
35.	Interest income from other states	35.	0
36.	Adjustment for additional first-year depreciation (See instructions)	36.	0
37.	Other federal taxable income additions	37.	0
38.	**Total additions**	38.	4795

Deductions from Federal Taxable Income

39.	State or local income tax refund	39.	0
40.	Interest income from obligations of US or US' possessions	40.	0
41.	Social Security and Railroad Retirement Benefits	41.	0
42.	Bailey settlement retirement benefits	42.	0
43.	Other retirement benefits	43.	0
44.	Severance wages	44.	0
45.	Other federal taxable income deductions	45.	0
46.	**Total deductions**	46.	0

Part-Year Residents and Nonresidents

47.	Income while a resident of N.C.	47.	20840
48.	Nonresident income from N.C. sources	48.	0
49.	Add Lines 47 and 48	49.	20840
50.	Total income from all sources	50.	71011
51.	Divide Line 49 by Line 50	51.	0.2935

N.C. Residency Dates for Part-Year Residents and Nonresidents

	Beginning	Ending
Taxpayer:		
Spouse:		

This page must be filed with the first page of this form.

D-400TC (45)
9-25-04

Individual Tax Credits 2004
North Carolina Department of Revenue

If you claim a tax credit on Line 15 of Form D-400, you must attach this form to the return. If you do not, the tax credit may be disallowed.

Last Name (First 10 Characters) CHARITY Your Social Security Number 400007521

For Computer Use Only

01	0	07B	0	16	300	23		0		26			0
02	0	08	0	20A	0	24		0		30			0
04	0	09	0	20B	0	25		0					
06	0	10	0	21	0	25	FM	N	GC	N	PC		N
07A	0	12	0	22	0		HD	N	CT	N			

Credit for Income Tax Paid to Another State or Country - N.C. Residents Only

1.	Total income from 1040, Line 22; 1040A, Line 15; 1040EZ, Line 4; or Telefile Record, Line I, while a N.C. resident, adjusted by applicable additions & deductions. Do not adjust any portion of Lines 37 or 45 that does not relate to gross income.	1.	0
2.	Portion of Line 1 taxed outside N.C.	2.	0
3.	Divide Line 2 by Line 1	3.	0.0000
4.	N.C. income tax (From D-400, Line 14)	4.	0
5.	Computed credit (Multiply Line 3 by Line 4)	5.	0
6.	Amount of net tax paid outside N.C. from Line 2 (See instructions for definition of net tax paid)	6.	0
7a.	Enter the lesser of Line 5 or Line 6	7a.	0
7b.	Number of states that credits are claimed	7b.	0

Credit for Child and Dependent Care Expenses

8.	Enter the expenses from Line 3 of Federal Form 2441 or Line 3 of Schedule 2, Part II, 1040A, not to exceed $2,400 for one qualifying dependent or $4,800 for two or more qualifying dependents (See instructions)	8.	0
9.	Portion of Line 8 incurred for qualifying dependent(s)	9.	0
10.	Credit for Line 9 expenses (Use the Child and Dependent Care Credit Table)	10.	0
11.	Other qualifying expenses	11.	0
12.	Credit for Line 11 expenses (Use the Child and Dependent Care Credit Table)	12.	0
13.	Total credit for child and dependent care expenses. Full-year residents enter the amount here and on Line 15 below	13.	0
14.	Nonresidents and part-year residents multiply the amount on Line 13 by the decimal amount from Form D-400, Line 12. If Line 12 is more than 1.0000, enter amount from Line 13 here	14.	0
15.	Total credit for child and dependent care expenses from Line 13 or Line 14	15.	0

Credit for Children under 17 on Last Day of Tax Year

Credit may be claimed only if amounts for your filing status do not exceed: Married filing jointly - $100,000
Head of household - $80,000
Single - $60,000
Married filing separately - $50,000

16.	Multiply the number of children for whom you are entitled to claim the federal child tax credit by $100 (Full-year residents enter this amount here and on Line 18)	16.	300
17.	Nonresidents and part-year residents multiply the amount on Line 16 by the decimal amount from Form D-400, Line 12 and enter the result here and on Line 18	17.	88
18.	Credit for Children	18.	88

Other Tax Credits

19.	Add Lines 7a, 15, and 18	19.	88
20a.	Total charitable contributions	20a.	0
20b.	Credit for charitable contributions	20b.	0
21.	Credit for qualified business investments	21.	0
22.	Credit for the disabled (Complete Form D-429. Enter amount from Line 13 or 14)	22.	0
23.	Credit for certain real property donations	23.	0
24.	Credit for rehabilitating a historic structure ☐ Income-Producing ☐ Nonincome -Producing	24.	0
25.	Other miscellaneous income tax credits ☐ Property Taxes on Farm Machinery ☐ Handicapped Dwelling ☐ Gleaned Crops ☐ Conservation Tillage ☐ Poultry Composting	25.	0
26.	Tax credits carried over from previous year. Do not include NC-478 carryovers.	26.	0
27.	Total (Add Lines 19, and 20b-26)	27.	88
28.	Amount of tax (From D-400, Line 14)	28.	740
29.	Enter the lesser of Line 27 or Line 28	29.	88
30.	Business incentive and energy tax credits (Attach NC-478 forms)	30.	0
31.	Add Lines 29 and 30	31.	88

7020245006

This page must be filed with Form D-400.

▶

NCEXE_WK

Personal Exemption Adjustment Worksheet

(keep for your records)

I-6/22/04
2004

Name(s) as shown on return: TEST CHARITY

Your social security number: 400007521

Line 34 - Personal Exemption Adjustment Worksheet

If your federal adjusted gross income (Form 1040, Line 34; Form 1040A, Line 21; Form 1040EZ, Line 4; or TeleFile Tax Record, Line I) is less than the amount shown for your filing status in the chart below, complete **Worksheet A.** Otherwise, skip **Worksheet A** and complete **Worksheet B.** Important: If you cannot claim a personal exemption on your federal return because it was completely phased out, do not complete either worksheet and enter zero on Form D-400, Line 34.

Filing Status	Adjusted Gross Income
Married, filing jointly/Qualifying widow(er)	$100,000
Head of household	$ 80,000
Single	$ 60,000
Married, filing separately	$ 50,000

A

1. **1040 or 1040A filers**
   - Multiply the number of exemptions claimed on Line 6d of 1040 or 1040A by $550 and enter the result.

   1040EZ/TELEFILE SINGLE filers
   - Enter $550 if you cannot be claimed as a dependent by someone else
   - Enter zero if you can be claimed as a dependent by someone else

   1040EZ/TELEFILE MARRIED FILING JOINTLY filers
   - Enter $1,100 if neither spouse can be claimed as a dependent by someone else
   - Enter $550 if one spouse can be claimed as a dependent by someone else
   - Enter zero if both spouses can be claimed as dependents by someone else

   1. 3000

STOP HERE and enter this amount on Form D-400, Line 34.

B

2. **1040 or 1040A filers**
   - Multiply the number of exemptions claimed on Line 6d of 1040 or 1040A by $1,050 and enter the result.

   1040EZ/TELEFILE SINGLE filers
   - Enter $1,050 if you cannot be claimed as a dependent by someone else
   - Enter zero if you can be claimed as a dependent by someone else

   1040EZ/TELEFILE MARRIED FILING JOINTLY filers
   - Enter $2,100 if neither spouse can be claimed as a dependent by someone else
   - Enter $1,050 if one spouse can be claimed as a dependent by someone else
   - Enter zero if both spouses can be claimed as dependents by someone else

   IMPORTANT: If you were not required to complete the **Deduction for Exemptions Worksheet** in the instructions for Federal Form 1040, **STOP HERE** and enter this amount on Form D-400, Line 34. Otherwise, complete Lines 3, 4, and 5.

   2. ______

3. Enter the decimal amount from Line 7 of the **Deduction for Exemptions Worksheet** in the instructions for Federal Form 1040 . . . . 3. ______ .
4. Multiply Line 2 above by Line 3 above and enter the result . . . . 4. ______
5. Subtract Line 4 above from Line 2 above and enter the result here and on Form D-400, Line 34 . . . . 5. ______

Form 8814	Child's Qualified Dividends and Capital Gain Distributions Worksheet (Keep for your records)	2004

Name(s) as shown on return	Your social security number
TEST L & MARY B CHARITY	400-00-7521

1.	Enter the amount of qualified dividends included on Form 8814, line 2	
2.	Enter the amount from Form 8814, line 3	120
3.	Enter the amount from Form 8814, line 4	1,730
4.	Divide line 1 by line 3. Enter the result as a decimal	
5.	Divide line 2 by line 3. Enter the result as a decimal	0.069
6.	Base amount	1,600
7.	Subtract line 6 from line 3	130
8.	Multiply line 7 by line 4. Include this amount on lines 9a and 9b of Form 1040	
9.	Multiply line 7 by line 5. Include this amount on Schedule D, line 13, column (f), or on line 13a of Form 1040	9
10.	Add lines 8 and 9	9
11.	Subtract line 10 from line 7. Enter the result here and on Form 8814, line 6	121
12.	Enter the child's post-May 5 capital gain distributions, if any	
13.	Divide line 12 by line 2. Enter the result as a decimal	
14.	Multiply line 9 by line 13. Include this amount on Schedule D, line 13, column (g), or on Form 1040, line 13b	

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Computation of North Carolina Taxable Income for Part-Year Residents and Nonresidents

(Keep for your records)

2004

Name(s) as shown on return: TEST CHARITY

Your social security number: 400007521

Line 46 - Part-Year Residents

Complete the worksheet below to determine the amount to be entered on Line 46:

1. Enter your **total income** that you received in 2004 while you were a resident of North Carolina (See Note A below) . . 1. 20840
2. Enter the amount from Form D-400, Line 38 that applies to the income received while you were a resident of North Carolina (See Note B below) . . 2. ______
3. Add Lines 1 and 2 . . 3. 20840
4. Enter the amount from Form D-400, Line 45 that applies to the income received while you were a resident of North Carolina (See Note C below) . . . . 4. ______
5. Subtract Line 4 from Line 3 and enter the total here and on Form D-400, Line 46 (See Note D below) . . 5. 20840

Line 47 - Nonresidents

Complete the worksheet below to determine the amount to be entered on Line 47:

1. Enter your **total income** that you received from North Carolina sources in 2003 while you were a nonresident of North Carolina (See Note A Below) . 1. ______
2. Enter the amount from Form D-400, Line 38 that applies to the income received from North Carolina sources while you were a nonresident of North Carolina (See Note B below) . 2. ______
3. Add Lines 1 and 2 . . 3. ______
4. Enter the amount from Form D-400, Line 45 that applies to the income received from North Carolina sources while you were a nonresident of North Carolina (See Note C below) . 4. ______
5. Subtract Line 4 from Line 3 and enter the total here and on Form D-400, Line 47 (See Note D below) . 5. ______

Line 49

Complete the worksheet below to determine the amount to be entered on Line 49:

1. Enter your **Total Income** from your federal return (Form 1040, Line 22; Form 1040A, Line 15; Form 1040EZ, Line 4 or TeleFile Tax Record, Line I) (See Note A below) 1. 71011
2. Enter the amount from Form D-400, Line 38 (See Note B below) . . . . . 2. ______
3. Add Lines 1 and 2 . . . . . . 3. 71011
4. Enter the amount from Form D-400, Line 45 (See Note C below) . . . . . 4. ______
5. Subtract Line 4 from Line 3 and enter the total here and on Form D-400, Line 49 (See Note D below) 5. 71011

Line 50

Divide Line 48 by Line 49 and enter the result as a decimal amount on Line 50. Round to four decimal places. Enter the decimal amount from Line 50 on Form D-400, Line 12. (The decimal amount can be more than 1.0000. If the decimal amount is negative, enter 0.0000 on Line 50.)

Note A: If the amount entered on Line 1 above is a loss, enter as a negative amount.

Note B: The amount to be entered on Line 2 does not include the amounts on Line 33 or 34 or any portion of the amount on Line 37 that does not relate to gross income.

Note C: The amount to be entered on Line 4 does not include any portion of the amount on Line 44 that does not relate to gross income.

Note D: If Line 5 above is negative, be sure to fill in the circle preceding the appropriate line number on page 4 of Form D-400.

Form 8814	Child's Qualified Dividends and Capital Gain Distributions Worksheet (Keep for your records)	2004

Name(s) as shown on return	Your social security number
TEST L & MARY B CHARITY	400-00-7521

1.	Enter the amount of qualified dividends included on Form 8814, line 2	
2.	Enter the amount from Form 8814, line 3	17
3.	Enter the amount from Form 8814, line 4	3,145
4.	Divide line 1 by line 3. Enter the result as a decimal	
5.	Divide line 2 by line 3. Enter the result as a decimal	0.005
6.	Base amount	1,600
7.	Subtract line 6 from line 3	1,545
8.	Multiply line 7 by line 4. Include this amount on lines 9a and 9b of Form 1040	
9.	Multiply line 7 by line 5. Include this amount on Schedule D, line 13, column (f), or on line 13a of Form 1040	8
10.	Add lines 8 and 9	8
11.	Subtract line 10 from line 7. Enter the result here and on Form 8814, line 6	1,537
12.	Enter the child's post-May 5 capital gain distributions, if any	
13.	Divide line 12 by line 2. Enter the result as a decimal	
14.	Multiply line 9 by line 13. Include this amount on Schedule D, line 13, column (g), or on Form 1040, line 13b	

Qualified Dividends and Capital Gain Tax Worksheet

For Form 1040, Line 43 or Form 1040A, Line 28

(keep for your records)

NAME	SSN
TEST L & MARY B CHARITY	400-00-7521

Before you begin:
- See the instructions for line 43 on page 33 to see if you can use this worksheet to figure your tax.
- If you do not have to file Schedule D and you received capital gain distributions, be sure you checked the box on line 13 of Form 1040.

1.	Enter the amount from Form 1040, line 42 or Form 1040A, line 27	**1.**	37,178
2.	Enter the amount from Form 1040, line 9b or Form 1040A, line 9b	**2.**	
3.	Are you filing Schedule D? [X] **Yes.** Enter the **smaller** of line 15 or 16 of Schedule D, but do not enter less than -0- [ ] **No.** Enter the amount from Form 1040, line 13	**3.**	57
4.	Add lines 2 and 3	**4.**	57
5.	If you are claiming investment interest expense on Form 4952, enter the amount from line 4g of that form. Otherwise enter -0-	**5.**	
6.	Subtract line 5 from line 4. If zero or less, enter -0-	**6.**	57
7.	Subtract line 6 from line 1. If zero or less, enter -0-	**7.**	37,121
8.	Enter the **smaller** of: • The amount on line 1 or • $29,050 if single or married filing separately, $58,100 if married filing jointly or qualifying widow(er), or $38,900 if head of household.	**8.**	37,178
9.	Is the amount on line 7 equal to or more than the amount on line 8? [ ] **Yes.** Skip lines 9 through 11; go to line 12 and check the "No" box. [X] **No.** Enter the amount from line 7	**9.**	37,121
10.	Subtract line 9 from line 8	**10.**	57
11.	Multiply line 10 by 5% (.05)	**11.**	3
12.	Are the amounts on lines 6 and 10 the same? [X] **Yes.** Skip lines 12 through 15; go to line 16. [ ] **No.** Enter the **smaller** of line 1 or line 6	**12.**	
13.	Enter the amount from line 10 (if line 10 is blank, enter -0-)	**13.**	
14.	Subtract line 13 from line 12	**14.**	
15.	Multiply line 14 by 15% (.15)	**15.**	
16.	Figure the tax on the amount on line 7. Use the Tax Table or Tax Computation Worksheet, whichever applies	**16.**	4,854
17.	Add lines 11, 15, and 16	**17.**	4,857
18.	Figure the tax on the amount on line 1. Use the Tax Table or Tax Computation Worksheet, whichever applies	**18.**	4,861
19.	**Tax on all taxable income.** Enter the **smaller** of line 17 or line 18. Also include this amount on Form 1040, line 43 or Form 1040A, line 28	**19.**	4,857

IRA Deduction Worksheet - 1040, Line 25 or 1040A, Line 17

(Keep for your records)

Name(s) as shown on Form 1040	SSN
TEST L & MARY B CHARITY	400-00-7521

Before you begin:
- Complete Form 1040, lines 28 through 32a, if they apply to you.
- Figure any amount to be entered on the dotted line next to line 35 (see page 33).
- Be sure you have read the list that begins on page 29.

		Your IRA	Spouse's IRA
1a.	Were you covered by a retirement plan (see instructions)?	**1a.** [X] **Yes** [ ] **No**	
1b.	If married filing jointly, was your spouse covered by a retirement plan?		**1b.** [X] **Yes** [ ] **No**
	Next. If you checked "No" on line 1a (and "No" on line 1b if married filing jointly), skip lines 2 through 6, enter $3,000 ($3,500 if age 50 or older at the end of 2004) on line 7a (and 7b if applicable), and go to line 8. Otherwise, go to line 2.		
2.	Enter the amount shown below that applies to you. • Single, head of household, or married filing separately and you **lived apart** from your spouse for all of 2004, enter $55,000 • Qualifying widow(er), enter $75,000 • Married filing jointly, enter $75,000 in both columns. But if you checked "No" on either line 1a or 1b, enter $160,000 for the person who was not covered by a plan • Married filing separately and you lived with your spouse at any time in 2004, enter $10,000	**2a.** 75,000	**2b.** 75,000
3.	Enter the amount from Form 1040, line 22 . . . . **3.** 71,011		
4.	Enter total of the amounts from Form 1040, lines 23, 24 and 28 through 34a, plus any amount you entered on the dotted line next to line 35 . **4.** 3,100		
5.	Subtract line 4 from line 3. Enter the result in both columns	**5a.** 67,911	**5b.** 67,911
6.	Is the amount on line 5 less than the amount on line 2? [ ] **No. STOP** None of your IRA contributions are deductible. For details on nondeductible IRA contributions, see Form 8606. [X] **Yes.** Subtract line 5 from line 2 in each column. **If the result is $10,000 or more, enter $3,000 ($3,500 if age 50 or older at the end of 2004) on line 7 for that column and go to line 8.** Otherwise, go to line 7	**6a.** 7,089	**6b.** 7,089
7.	Multiply lines 6a and 6b by 30% (.30) (or by 35% (.35) in the column for the IRA of a person who is age 50 or older at the end of 2004). If the result is not a multiple of $10, increase it to the next multiple of $10 (for example, increase $490.30 to $500). If the result is $200 or more, enter the result. But if it is less than $200, enter $200	**7a.** 2,130	**7b.** 2,130
8.	Enter your wages, and your spouse's if filing jointly, and other earned income from Form 1040, minus any deductions on Form 1040, lines 30 and 32. Do not reduce wages by any loss from self-employment **8.** 52,840		
	CAUTION: If married filing jointly and line 8 is less than $6,000 ($6,500 if one spouse is age 50 or older at the end of 2004; $7,000 if both spouses are age 50 or older at the end of 2004), **stop here** and see Pub. 590 to figure your IRA deduction.		
9.	Enter traditional IRA contributions made, or that will be made by April 15, 2005, for 2004 to your IRA on line 9a and to your spouse's IRA on line 9b	**9a.** 3,000	**9b.** 3,000
10.	On line 10a, enter the **smallest** of line 7a, 8, or 9a. On line 10b, enter the **smallest** of line 7b, 8, or 9b. This is the most you can deduct. Add the amounts on lines 10a and 10b and enter the total on Form 1040, line 25. Or, if you want, you may deduct a smaller amount and treat the rest as a nondeductible contribution (see Form 8606)	**10a.** 2,130	**10b.** 2,130

TIP You may be able to take the retirement savings contributions credit. See the instructions for line 48 on page 39.

Need more information or forms? See page 7.

Forms 1040, 1040A

Child Tax Credit Worksheet

Keep for your records.

Name(s) as shown on return: TEST L & MARY B CHARITY

Your social security number: 400-00-7521

Before you begin: If you received (before offset) an advance payment of the child tax credit and you filed a joint return for 2003, you and your spouse are each considered to have received one-half of the payment.

If you received Notice 1319, have it available. The notice shows the amount of your advance payment (before offset). If you do not have Notice 1319, you check the amount of your advance payment (before offset) on the IRS website at **www.irs.gov.** You will need to enter your SSN, your 2003 filing status, and the total number of exemptions you claimed on line 6d of your 2003 Form 1040 or Form 1040A.

Part 1

1. Number of qualifying children: 3 X $1,000. Enter the result. **1** 3,000
2. Enter the amount, if any, of your advance child tax credit (before offset). **2**
3. Is line 1 less than line 2?
   - [ ] **Yes. STOP** You cannot take this credit. If line 2 is more than line 1, you do not have to pay back the difference.
   - [X] **No.** Subtract line 2 from line 1. **3** 3,000
4. Enter the amount from Form 1040, line 35, or Form 1040A, line 22. **4** 63,651
5. **1040 Filers.** Enter the total of any -
   - Exclusion of income from Puerto Rico, and
   - Amounts from Form 2555, lines 43 and 48; Form 2555-EZ, line 18; and Form 4563, line 15.

   1040A Filers. Enter -0-. **5**
6. Add lines 4 and 5. Enter the total. **6** 63,651
7. Enter the amount shown below for your filing status.
   - Married filing jointly - $110,000
   - Single, head of household, or qualifying widow(er) - $75,000
   - Married filing separately - $55,000

   7 110,000
8. Is the amount on line 6 more than the amount on line 7?
   - [X] **No.** Leave line 8 blank. Enter -0- on line 9.
   - [ ] **Yes.** Subtract line 7 from line 6. **8**

     If the result is not a multiple of $1,000, increase it to the next multiple of $1,000 (for example, increase $425 to $1,000, increase $1,025 to $2,000, etc.).
9. Multiply the amount on line 8 by 5% (.05). Enter the result. **9** 0
10. Is the amount on line 3 more than the amount on line 9?
    - [ ] **No. STOP**

      You cannot take the child tax credit on Form 1040, line 49, or Form 1040A, line 33. You also cannot take the additional child tax credit on Form 1040, line 65, or Form 1040A, line 42. Complete the rest of your Form 1040 or 1040A.
    - [X] **Yes.** Subtract line 9 from line 3. Enter the result. **10** 3,000

      Go to Part 2.

Part 2

11. Enter the amount from Form 1040, line 43, or Form 1040A, line 28. **11** 5,030
12. Add the amounts from -

Form 1040	or	Form 1040A		
Line 44				
Line 45		Line 29	+	
Line 46		Line 30	+	
Line 47		Line 31	+	
Line 48		Line 32	+	
		Enter the total.	12	

13. Are you claiming any of the following credits?
    - Adoption credit, Form 8839
    - Mortgage interest credit, Form 8396
    - District of Columbia first-time homebuyer credit, Form 8859
    - [X] **No.** Enter the amount from line 12.
    - [ ] **Yes.** Complete the Line 13 Worksheet to figure the amount to enter here. **13**
14. Subtract line 13 from line 11. Enter the result. **14** 5,030
15. Is the amount on line 10 of this worksheet more than the amount on line 14?
    - [X] **No.** Enter the amount from line 10.
    - [ ] **Yes.** Enter the amount from line 14. See the **TIP** below.

    This is your child tax credit. **15** 3,000

Enter this amount on Form 1040, line 49, or Form 1040A, line 33.

TIP You may be able to take the **additional child tax credit** on Form 1040, line 65, **or** Form 1040A, line 42, only if you answered "Yes" on line 15.

- First, complete your Form 1040 through line 64, or Form 1040A through line 41.
- Then, use Form 8812 to figure any additional child tax credit.

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WORKSHEET #3 FOR PASSIVE LOSSES
FORM 8582, LINES 3a, 3b, AND 3c

(See page 8 of the instructions.)

2004

Name as shown on return: TEST L & MARY B CHARITY

Social Security Number: 400-00-7521

#	Name of activity	Current year (a) Net income (line 3a)	(b) Net loss (line 3b)	Prior years (c) Unallowed loss (line 3c)	Overall gain or loss (d) Gain	(e) Loss
1	CHARITY & COMPANY	3,240	0	0	3,240	0
2	FAITH CITY PARTNERS	0	4,162	0	0	4,162
	Total. Enter on Form 8582, lines 3a, 3b, and 3c ▶	3,240	4,162	0	3,240	4,162

WORKSHEET #5 FOR PASSIVE LOSSES
ALLOCATION OF UNALLOWED LOSSES
(See page 9 of the instructions.)

2004

Name as shown on return: TEST L & MARY B CHARITY

Social Security Number: 400-00-7521

#	Name of activity	Form or schedule and line number to be reported on (see instructions)	(a) Loss	(b) Ratio	(c) Unallowed loss
2	FAITH CITY PARTNERS	E2	4,162	1	922
	Total ▶		4,162	1 1.00	922

WORKSHEET #6 FOR PASSIVE LOSSES
ALLOWED LOSSES
(See page 9 and 10 of the instructions.)

2004

Name as shown on return: TEST L & MARY B CHARITY

Social Security Number: 400-00-7521

#	Name of activity	Form or schedule and line number to be reported on (see instructions)	(a) Loss	(b) Unallowed loss	(c) Allowed loss
2	FAITH CITY PARTNERS	E2	4,162	922	3,240
	Total		4,162	922	3,240

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EEA

Form **1040** Department of the Treasury - Internal Revenue Service
U.S. Individual Income Tax Return 2004

(99) IRS Use Only-Do not write or staple in this space.

For the year Jan. 1-Dec. 31, 2004, or other tax year beginning , 2004, ending , 20 OMB No. 1545-0074

PREPARED FOR STATE PURPOSES ONLY - DO NOT FILE WITH IRS!

Label (See instructions on page 16.) Use the IRS label. Otherwise, please print or type.

Your first name and initial / Last name: TEST L CHARITY	Your social security number: 400-00-7521
If a joint return, spouse's first name and initial / Last name	Spouse's social security number: 400-00-7568
Home address (number and street). If you have a P.O. box, see page 16. Apt. no.: 923 HOPE ST	**Important!** You **must** enter your SSN(s) above.
City, town or post office, state, and ZIP code. If you have a foreign address, see page 16.: DOUGLAS AZ 85607	

Presidential Election Campaign (See page 16.)
Note. Checking "Yes" will not change your tax or reduce your refund.
Do you, or your spouse if filing a joint return, want $3 to go to this fund? You: [ ] Yes [X] No Spouse: [ ] Yes [ ] No

Filing Status Check only one box.

1 [ ] Single
2 [ ] Married filing jointly (even if only one had income)
3 [X] Married filing separately. Enter spouse's SSN above and full name here. MARY B CHARITY
4 [ ] Head of household (with qualifying person). (See page 17.) If the qualifying person is a child but not your dependent, enter this child's name here.
5 [ ] Qualifying widow(er) with dependent child (see page 17)

Exemptions

6a [X] **Yourself.** If someone can claim you as a dependent, **do not** check box 6a
b [ ] **Spouse**

Boxes checked on 6a and 6b: 1
No. of children on 6c who: lived with you: 3; did not live with you due to divorce or separation (see page 18):
Dependents on 6c not entered above:
Add numbers on lines above: 4

c **Dependents:**

(1) First name Last name	(2) Dependent's social security number	(3) Dependent's relationship to you	(4) Check if qualifying child for child tax credit (see pg18)
JEFFREY CHARITY	400-55-7566	SON	X
SAMUEL CHARITY	400-55-7567	SON	X
SANDRA CHARITY	400-55-7568	DAUGHTER	X

If more than four dependents, see page 18.

d Total number of exemptions claimed

Income

Attach Form(s) W-2 here. Also attach Forms W-2G and 1099-R if tax was withheld.
If you did not get a W-2, see page 19.
Enclose, but do not attach, any payment. Also, please use Form 1040-V.

7	Wages, salaries, tips, etc. Attach Form(s) W-2		7	
8a	**Taxable** interest. Attach Schedule B if required		8a	37,000
b	**Tax-exempt** interest. **Do not** include on line 8a	8b		
9a	Ordinary dividends. Attach Schedule B if required		9a	
b	Qualified dividends (see page 20)	9b		
10	Taxable refunds, credits, or offsets of state and local income taxes (see page 20)		10	
11	Alimony received		11	
12	Business income or (loss). Attach Schedule C or C-EZ		12	
13	Capital gain or (loss). Attach Schedule D if required. If not required, check here [ ]		13	
14	Other gains or (losses). Attach Form 4797		14	57
15a	IRA distributions 15a	b Taxable amount (see page 22)	15b	
16a	Pensions and annuities 16a	b Taxable amount (see page 22)	16b	
17	Rental real estate, royalties, partnerships, S corporations, trusts, etc. Attach Schedule E		17	
18	Farm income or (loss). Attach Schedule F		18	
19	Unemployment compensation		19	16,456
20a	Social security benefits 20a	b Taxable amount (see page 24)	20b	
21	Other income. FORM 8814		21	1,658
22	Add the amounts in the far right column for lines 7 through 21. This is your **total income**		22	55,171

Adjusted Gross Income

23	Educator expenses (see page 26)	23			
24	Certain business expenses of reservists, performing artists, and fee-basis government officials. Attach Form 2106 or 2106-EZ	24			
25	IRA deduction (see page 26)	25	2,130		
26	Student loan interest deduction (see page 28)	26			
27	Tuition and fees deduction (see page 29)	27			
28	Health savings account deduction. Attach Form 8889	28			
29	Moving expenses. Attach Form 3903	29			
30	One-half of self-employment tax. Attach Schedule SE	30			
31	Self-employed health insurance deduction (see page 30)	31			
32	Self-employed SEP, SIMPLE, and qualified plans	32			
33	Penalty on early withdrawal of savings	33	1,200		
34a	Alimony paid b Recipient's SSN 400-66-2021 STATEMENT #1	34a	1,900		
35	Add lines 23 through 34a			35	5,230
36	Subtract line 35 from line 22. This is your **adjusted gross income**			36	49,941

Tax and Credits

Standard Deduction for—
- People who checked any box on line 38a or 38b **or** who can be claimed as a dependent, see page 31.
- All others:

Single or Married filing separately, $4,850

Married filing jointly or Qualifying widow(er), $9,700

Head of household, $7,150

37	Amount from line 36 (adjusted gross income)		37 49,941
38a	Check if: { ☐ **You** were born before January 2, 1940, ☐ Blind. ☐ **Spouse** was born before January 2, 1940, ☐ Blind. } **Total boxes checked** ▶38a ☐		
b	If your spouse itemizes on a separate return or you were a dual-status alien, see pg 31 & check here ▶38b ☐		
39	**Itemized deductions** (from Schedule A) **or** your **standard deduction** (see left margin) X		39
40	Subtract line 39 from line 37		40 8,446
41	If line 37 is $107,025 or less, multiply $3,100 by the total number of exemptions claimed on line 6d. If line 37 is over $107,025, see the worksheet on page 33		41,495 41
42	**Taxable income.** Subtract line 41 from line 40. If line 41 is more than line 40, enter -0-		42 12,400
43	**Tax** (see page 33). Check if any tax is from: a ☐ Form(s) 8814 b ☐ Form 4972		43 29,095
44	**Alternative minimum tax** (see page 35). AXtach Form 6251		44 4,252
45	Add lines 43 and 44 ▶		45
46	Foreign tax credit. Attach Form 1116 if required	46	4,252
47	Credit for child and dependent care expenses. Attach Form 2441	47	
48	Credit for the elderly or the disabled. Attach Schedule R	48 173	
49	Education credits. Attach Form 8863	49	
50	Retirement savings contributions credit. Attach Form 8880	50	
51	Child tax credit (see page 37)	51	
52	Adoption credit. Attach Form 8839	52 1,500	
53	Credits from: a ☐ Form 8396 b ☐ Form 8859	53	
54	Other credits. Check applicable box(es): a ☐ Form 3800 b ☐ Form 8801 c ☐ Specify ______	54	
55	Add lines 46 through 54. These are your **total credits**		55
56	Subtract line 55 from line 45. If line 55 is more than line 45, enter -0- ▶		56 1,500

Other Taxes

57	Self-employment tax. Attach Schedule SE		57 2,752
58	Social security and Medicare tax on tip income not reported to employer. Attach Form 4137		58
59	Additional tax on IRAs, other qualified retirement plans, etc. Attach Form 5329 if required		59
60	Advance earned income credit payments from Form(s) W-2		60
61	Household employment taxes. Attach Schedule H		61
62	Add lines 56 through 61. This is your **total tax** ▶		62

Payments

If you have a qualifying child, attach Schedule EIC.

63	Federal income tax withheld from Forms W-2 and 1099	63	2,752
64	2004 estimated tax payments and amount applied from 2003 return	64 680	
65a	**Earned income credit (EIC)**	65a 200	
b	Nontaxable combat pay election ▶ 65b		
66	Excess social security and tier 1 RRTA tax withheld (see page 54)	66	
67	Additional child tax credit. Attach Form 8812	67	
68	Amount paid with request for extension to file (see page 54)	68	
69	Other payments from: a ☐ Form 2439 b ☐ Form 4136 c ☐ Form 8885	69	
70	Add lines 63, 64, 65a, and 66 through 69. These are your **total payments** ▶		70 880

Refund

Direct deposit? See page 54 and fill in 72b, 72c, and 72d.

71	If line 70 is more than line 62, subtract line 62 from line 70. This is the amount you **overpaid**		71
72a	Amount of line 71 you want **refunded to you** ▶		72a
▶ b	Routing number ▶c Type: ☐ Checking ☐ Savings		
▶ d	Account number		
73	Amount of line 71 you want **applied to your 2005 estimated tax** ▶	73	

Amount You Owe

74	**Amount you owe.** Subtract line 70 from line 62. For details on how to pay, see page 55 ▶		74 1,872
75	Estimated tax penalty (see page 55)	75	

Third Party Designee

Do you want to allow another person to discuss this return with the IRS (see page 56)? ☐ **Yes.** Complete the following. ☐ **No**

Designee's name ▶ Phone no. ▶ Personal identification number (PIN) ▶

Sign Here

Joint return? See page 17.
Keep a copy for your records.

Under penalties of perjury, I declare that I have examined this return and accompanying schedules and statements, and to the best of my knowledge and belief, they are true, correct, and complete. Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge.

Your signature | Date | Your occupation: CONSTRUCTION FOREMAN | Daytime phone number

Spouse's signature. If a joint return, **both** must sign. | Date | Spouse's occupation

Paid Preparer's Use Only

Preparer's signature ▶ | Date | Check if self-employed ☐ | Preparer's SSN or PTIN

Firm's name (or yours if self-employed), address, and ZIP code ▶ | EIN | Phone no.

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SCHEDULES A&B (Form 1040)

Department of the Treasury Internal Revenue Service (99)

Schedule A - Itemized Deductions

▶ Attach to Form 1040. ▶ See Instructions for Schedules A and B (Form 1040).

OMB No. 1545-0074

2004

Attachment Sequence No. **07**

Name(s) shown on Form 1040: TEST L CHARITY

Your social security number: 400-00-7521

Medical and Dental Expenses		**Caution.** Do not include expenses reimbursed or paid by others.				
	1	Medical and dental expenses (see page A-2)	1	3,800		
	2	Enter amount from Form 1040, line 37 [2] 49,941				
	3	Multiply line 2 by 7.5% (.075)	3	3,746		
	4	Subtract line 3 from line 1. If line 3 is more than line 1, enter -0-			4	54
Taxes You Paid (See page A-2.)	5	State and local **(check only one box):** a ☐ Income taxes, **or** b ☐ General sales taxes (see page A-2)	5	1,520		
	6	Real estate taxes (see page A-3)	6	800		
	7	Personal property taxes	7			
	8	Other taxes. List type and amount ▶	8	4,700		
	9	Add lines 5 through 8			9	2,320
Interest You Paid (See page A-3.)	10	Home mortgage interest and points reported to you on Form 1098	10			
	11	Home mortgage interest not reported to you on Form 1098. If paid to the person from whom you bought the home, see page A-4 and show that person's name, identifying no., and address ▶	11			
Note. Personal interest is not deductible.	12	Points not reported to you on Form 1098. See page A-4 for special rules	12			
	13	Investment interest. Attach Form 4952 if required. (See page A-4.)	13			
	14	Add lines 10 through 13		400	14	4,700
Gifts to Charity If you made a gift and got a benefit for it, see page A-4.	15	Gifts by cash or check. If you made any gift of $250 or more, see page A-4	15			
	16	Other than by cash or check. If any gift of $250 or more, see page A-4. You **must** attach Form 8283 if over $500	16			
	17	Carryover from prior year	17			
	18	Add lines 15 through 17			18	400
Casualty and Theft Losses	19	Casualty or theft loss(es). Attach Form 4684. (See page A-5.)			19	
Job Expenses and Most Other Miscellaneous Deductions (See page A-5.)	20	Unreimbursed employee expenses - job travel, union dues, job education, etc. Attach Form 2106 or 2106-EZ if required. (See page A-6.) ▶	20	1,971		
	21	Tax preparation fees	21			
	22	Other expenses - investment, safe deposit box, etc. List type and amount ▶ 49,941	22	1,971		
	23	Add lines 20 through 22	23	999		
	24	Enter amount from Form 1040, line 37 [24]				
	25	Multiply line 24 by 2% (.02)	25			
	26	Subtract line 25 from line 23. If line 25 is more than line 23, enter -0-			26	972
Other Miscellaneous Deductions	27	Other - from list on page A-6. List type and amount ▶			27	
Total Itemized Deductions	28	Is Form 1040, line 37, over $142,700 (over $71,350 if married filing separately)? ☐ **No.** Your deduction is not limited. Add the amounts in the far right column for lines 4 through 27. Also, enter this amount on Form 1040, line 39. ☐ **Yes.** Your deduction may be limited. See page A-6 for the amount to enter. ▶			28	8,446

Form **1040** Department of the Treasury - Internal Revenue Service
U.S. Individual Income Tax Return 2004

(99) IRS Use Only-Do not write or staple in this space.

For the year Jan. 1-Dec. 31, 2004, or other tax year beginning , 2004, ending , 20 OMB No. 1545-0074

PREPARED FOR STATE PURPOSES ONLY - DO NOT FILE WITH IRS!

Label (See instructions on page 16.) **Use the IRS label.** Otherwise, please print or type.

Your first name and initial: MARY B	Last name: CHARITY	Your social security number: 400-00-7568
If a joint return, spouse's first name and initial	Last name	Spouse's social security number: 400-00-7521
Home address (number and street). If you have a P.O. box, see page 16.: 923 HOPE ST	Apt. no.	**Important!** You **must** enter your SSN(s) above.
City, town or post office, state, and ZIP code. If you have a foreign address, see page 16.: DOUGLAS AZ 85607		

Presidential Election Campaign (See page 16.)
Note. Checking "Yes" will not change your tax or reduce your refund.
Do you, or your spouse if filing a joint return, want $3 to go to this fund? You: Yes [ ] No [X] Spouse: Yes [ ] No [ ]

Filing Status Check only one box.
1 [ ] Single
2 [ ] Married filing jointly (even if only one had income)
3 [X] Married filing separately. Enter spouse's SSN above and full name here. TEST L CHARITY
4 [ ] Head of household (with qualifying person). (See page 17.) If the qualifying person is a child but not your dependent, enter this child's name here.
5 [ ] Qualifying widow(er) with dependent child (see page 17)

Exemptions
6a [X] **Yourself.** If someone can claim you as a dependent, **do not** check box 6a
b [ ] **Spouse**
Boxes checked on 6a and 6b: 1
No. of children on 6c who: • lived with you • did not live with you due to divorce or separation (see page 18)
Dependents on 6c not entered above

c **Dependents:**

(1) First name Last name	(2) Dependent's social security number	(3) Dependent's relationship to you	(4) Check if qualifying child for child tax credit (see pg18)
			[ ]
			[ ]
			[ ]
			[ ]

If more than four dependents, see page 18.

d Total number of exemptions claimed — Add numbers on lines above: 1

Income
Attach Form(s) W-2 here. Also attach Forms W-2G and 1099-R if tax was withheld.
If you did not get a W-2, see page 19.
Enclose, but do not attach, any payment. Also, please use Form 1040-V.

7	Wages, salaries, tips, etc. Attach Form(s) W-2	7	
8a	**Taxable** interest. Attach Schedule B if required	8a	15,840
b	**Tax-exempt** interest. **Do not** include on line 8a — 8b		
9a	Ordinary dividends. Attach Schedule B if required	9a	
b	Qualified dividends (see page 20) — 9b		
10	Taxable refunds, credits, or offsets of state and local income taxes (see page 20)	10	
11	Alimony received	11	
12	Business income or (loss). Attach Schedule C or C-EZ	12	
13	Capital gain or (loss). Attach Schedule D if required. If not required, check here [ ]	13	
14	Other gains or (losses). Attach Form 4797	14	
15a	IRA distributions — 15a; b Taxable amount (see page 22)	15b	
16a	Pensions and annuities — 16a; b Taxable amount (see page 22)	16b	
17	Rental real estate, royalties, partnerships, S corporations, trusts, etc. Attach Schedule E	17	
18	Farm income or (loss). Attach Schedule F	18	
19	Unemployment compensation	19	
20a	Social security benefits — 20a; b Taxable amount (see page 24)	20b	
21	Other income.	21	
22	Add the amounts in the far right column for lines 7 through 21. This is your **total income** FORM 8814	22	15,840

Adjusted Gross Income

23	Educator expenses (see page 26)	23			
24	Certain business expenses of reservists, performing artists, and fee-basis government officials. Attach Form 2106 or 2106-EZ	24			
25	IRA deduction (see page 26)	25	2,130		
26	Student loan interest deduction (see page 28)	26			
27	Tuition and fees deduction (see page 29)	27			
28	Health savings account deduction. Attach Form 8889	28			
29	Moving expenses. Attach Form 3903	29			
30	One-half of self-employment tax. Attach Schedule SE	30			
31	Self-employed health insurance deduction (see page 30)	31			
32	Self-employed SEP, SIMPLE, and qualified plans	32			
33	Penalty on early withdrawal of savings 400-66-2021	33			
34a	Alimony paid b Recipient's SSN STATEMENT #1	34a			
35	Add lines 23 through 34a			35	2,130
36	Subtract line 35 from line 22. This is your **adjusted gross income**			36	13,710

For Disclosure, Privacy Act, and Paperwork Reduction Act Notice, see page 75. EEA Form **1040** (2004)

Tax and Credits	37	Amount from line 36 (adjusted gross income)			37	13,710
	38a	Check if: { ☐ **You** were born before January 2, 1940, ☐ Blind. ☐ **Spouse** was born before January 2, 1940, ☐ Blind. } **Total boxes checked** ▶38a ☐				
	b	If your spouse itemizes on a separate return or you were a dual-status alien, see pg 31 & check here ▶38b ☐				
	39	**Itemized deductions** (from Schedule A) **or** your **standard deduction** (see left margin) X			39	
	40	Subtract line 39 from line 37			40	2,581
	41	If line 37 is $107,025 or less, multiply $3,100 by the total number of exemptions claimed on line 6d. If line 37 is over $107,025, see the worksheet on page 33			41	11,129
	42	**Taxable income.** Subtract line 41 from line 40. If line 41 is more than line 40, enter -0-			42	3,100
	43	**Tax** (see page 33). Check if any tax is from: **a** ☐ Form(s) 8814 **b** ☐ Form 4972			43	8,029
	44	**Alternative minimum tax** (see page 35). AXttach Form 6251			44	1,027
	45	Add lines 43 and 44 ▶			45	
	46	Foreign tax credit. Attach Form 1116 if required	46			1,027
	47	Credit for child and dependent care expenses. Attach Form 2441	47			
	48	Credit for the elderly or the disabled. Attach Schedule R	48	173		
	49	Education credits. Attach Form 8863	49			
	50	Retirement savings contributions credit. Attach Form 8880	50			
	51	Child tax credit (see page 37)	51			
	52	Adoption credit. Attach Form 8839	52	1,500		
	53	Credits from: **a** ☐ Form 8396 **b** ☐ Form 8859	53			
	54	Other credits. Check applicable box(es): **a** ☐ Form 3800 **b** ☐ Form 8801 **c** ☐ Specify	54			
	55	Add lines 46 through 54. These are your **total credits**			55	
	56	Subtract line 55 from line 45. If line 55 is more than line 45, enter -0- ▶			56	1,500
Other Taxes	57	Self-employment tax. Attach Schedule SE			57	0
	58	Social security and Medicare tax on tip income not reported to employer. Attach Form 4137			58	
	59	Additional tax on IRAs, other qualified retirement plans, etc. Attach Form 5329 if required			59	
	60	Advance earned income credit payments from Form(s) W-2			60	
	61	Household employment taxes. Attach Schedule H			61	
	62	Add lines 56 through 61. This is your **total tax** ▶			62	
Payments	63	Federal income tax withheld from Forms W-2 and 1099	63			0
	64	2004 estimated tax payments and amount applied from 2003 return	64	880		
	65a	**Earned income credit (EIC)**	65a			
	b	Nontaxable combat pay election ▶ 65b				
	66	Excess social security and tier 1 RRTA tax withheld (see page 54)	66			
	67	Additional child tax credit. Attach Form 8812	67			
	68	Amount paid with request for extension to file (see page 54)	68			
	69	Other payments from: **a** ☐ Form 2439 **b** ☐ Form 4136 **c** ☐ Form 8885	69			
	70	Add lines 63, 64, 65a, and 66 through 69. These are your **total payments** ▶			70	880
Refund	71	If line 70 is more than line 62, subtract line 62 from line 70. This is the amount you **overpaid**			71	880
	72a	Amount of line 71 you want **refunded to you** ▶			72a	880
	b	Routing number ▶c Type: ☐ Checking ☐ Savings				
	d	Account number				
	73	Amount of line 71 you want **applied to your 2005 estimated tax** ▶	73			
Amount You Owe	74	**Amount you owe.** Subtract line 70 from line 62. For details on how to pay, see page 55 ▶			74	
	75	Estimated tax penalty (see page 55)	75			

Standard Deduction for—
- People who checked any box on line 38a or 38b **or** who can be claimed as a dependent, see page 31.
- All others:

Single or Married filing separately, $4,850

Married filing jointly or Qualifying widow(er), $9,700

Head of household, $7,150

If you have a qualifying child, attach Schedule EIC.

Direct deposit? See page 54 and fill in 72b, 72c, and 72d.

Third Party Designee

Do you want to allow another person to discuss this return with the IRS (see page 56)? ☐ **Yes.** Complete the following. ☐ **No**

Designee's name ▶ Phone no. ▶ Personal identification number (PIN) ▶

Sign Here

Under penalties of perjury, I declare that I have examined this return and accompanying schedules and statements, and to the best of my knowledge and belief, they are true, correct, and complete. Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge.

Joint return? See page 17. Keep a copy for your records.

Your signature	Date	Your occupation	Daytime phone number
		REAL ESTATE PROFESSIONAL	
Spouse's signature. If a joint return, **both** must sign.	Date	Spouse's occupation	

Paid Preparer's Use Only

Preparer's signature	Date	Check if self-employed ☐	Preparer's SSN or PTIN
Firm's name (or yours if self-employed), address, and ZIP code		EIN	Phone no.

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SCHEDULES A&B (Form 1040)

Department of the Treasury
Internal Revenue Service (99)

Schedule A - Itemized Deductions

▶ Attach to Form 1040. ▶ See Instructions for Schedules A and B (Form 1040).

OMB No. 1545-0074

2004

Attachment Sequence No. **07**

Name(s) shown on Form 1040: MARY B CHARITY

Your social security number: 400-00-7568

Medical and Dental Expenses		**Caution.** Do not include expenses reimbursed or paid by others.				
	1	Medical and dental expenses (see page A-2)	1			
	2	Enter amount from Form 1040, line 37 [2]				
	3	Multiply line 2 by 7.5% (.075)	3			
	4	Subtract line 3 from line 1. If line 3 is more than line 1, enter -0-			4	
Taxes You Paid (See page A-2.)	5	State and local **(check only one box):** a ☐ Income taxes, **or** b ☐ General sales taxes (see page A-2)	5	275		
	6	Real estate taxes (see page A-3)	6			
	7	Personal property taxes	7			
	8	Other taxes. List type and amount ▶	8			
	9	Add lines 5 through 8			9	275
Interest You Paid (See page A-3.)	10	Home mortgage interest and points reported to you on Form 1098	10			
	11	Home mortgage interest not reported to you on Form 1098. If paid to the person from whom you bought the home, see page A-4 and show that person's name, identifying no., and address ▶	11			
Note. Personal interest is not deductible.	12	Points not reported to you on Form 1098. See page A-4 for special rules	12			
	13	Investment interest. Attach Form 4952 if required. (See page A-4.)	13			
	14	Add lines 10 through 13			14	
Gifts to Charity If you made a gift and got a benefit for it, see page A-4.	15	Gifts by cash or check. If you made any gift of $250 or more, see page A-4	15			
	16	Other than by cash or check. If any gift of $250 or more, see page A-4. You **must** attach Form 8283 if over $500	16			
	17	Carryover from prior year	17			
	18	Add lines 15 through 17			18	
Casualty and Theft Losses	19	Casualty or theft loss(es). Attach Form 4684. (See page A-5.)			19	
Job Expenses and Most Other Miscellaneous Deductions (See page A-5.)	20	Unreimbursed employee expenses - job travel, union dues, job education, etc. Attach Form 2106 or 2106-EZ if required. (See page A-6.) ▶	20	2,580		
	21	Tax preparation fees	21			
	22	Other expenses - investment, safe deposit box, etc. List type and amount ▶ 13,710	22	2,580		
	23	Add lines 20 through 22	23	274		
	24	Enter amount from Form 1040, line 37 [24]				2,306
	25	Multiply line 24 by 2% (.02)	25			
	26	Subtract line 25 from line 23. If line 25 is more than line 23, enter -0-			26	
Other Miscellaneous Deductions	27	Other - from list on page A-6. List type and amount ▶			27	
Total Itemized Deductions	28	Is Form 1040, line 37, over $142,700 (over $71,350 if married filing separately)? ☐ **No.** Your deduction is not limited. Add the amounts in the far right column for lines 4 through 27. Also, enter this amount on Form 1040, line 39. ☐ **Yes.** Your deduction may be limited. See page A-6 for the amount to enter.			28	2,581

State and Local Income Tax Refund Worksheet
This amount will carry to next year's screen 3 with a V in front of it.

2004

Name(s) as shown on Form 1040: TEST L & MARY B CHARITY

SSN: 400-00-7521

1. Enter the income tax refund from **Form(s) 1099-G** (or similar statement). But **do not** enter more than the amount on your 2004 Schedule A (Form 1040), line 5 . . . . . **1.** 796

2. Enter your total allowable itemized deductions from your 2004 Schedule A (Form 1040), line 28 . . . . . **2.** 10,973

Note. If the filing status on your 2004 Form 1040 was married filing separately and your spouse itemized deductions in 2004, skip lines 3, 4, and 5, and enter the amount from line 2 on line 6.

3. Enter the amount shown below for the filing status claimed on your **2004** Form 1040.

- Single - $4,850
- Married filing jointly, or qualifying widow(er) - $9,700
- Married filing separately - $4,850
- Head of household - $7,150

. . . . . **3.** 9,700

4. Did you fill in line 38a on your 2004 Form 1040?

[X] **No.** Enter -0-.

[ ] **Yes.** Multiply the number in the box on line 37a of your 2004 Form 1040 by: $950 if your 2003 filing status was married filing jointly or separately or qualifying widow(er); $1,200 if your 2004 status was single or head of household. **4.** ______

5. Add lines 3 and 4 . . . . . **5.** 9,700

6. Is the amount on line 5 less than the amount on line 2?

No. **STOP** None of your refund is taxable.

Yes. Subtract line 5 from line 2 . . . . . **6.** 1,273

7. **Taxable part of your refund.** Enter the **smaller** of line 1 or line 6 here **7.** 796

Form **8082** (Rev. January 2000)

Department of the Treasury
Internal Revenue Service

Notice of Inconsistent Treatment or Administrative Adjustment Request (AAR)

(For use by partners, S corporation shareholders, estate and domestic trust beneficiaries, foreign trust owners and beneficiaries, REMIC residual interest holders, and TMPs)

▶ See separate instructions.

OMB No. 1545-0790

Attachment Sequence No. **84**

Name(s) shown on return: TEST L & MARY B CHARITY

Identifying number: 400-00-7521

Part I General Information

1 Check boxes that apply: (a) [X] Notice of inconsistent treatment (b) [ ] Administrative adjustment request (AAR)

2 If you are a TMP filing an AAR on behalf of the pass-through entity, are you requesting substituted return treatment? (see instructions) . . . . . [ ] Yes [ ] No

3 Check applicable box to identify type of pass-through entity:
(a) [X] Partnership (b) [ ] Electing large partnership (c) [ ] S corporation (d) [ ] Estate (e) [ ] Trust (f) [ ] REMIC

4 Identifying number of pass-through entity: 56-0124344

6 Tax shelter registration number (if applicble) of pass-through entity:

5 Name, address, and ZIP code of pass-through entity:
CHARITY & COMPANY
1876 GIVE AWAY BLVD
FAITH NC
28041-0923

7 Internal Revenue Service Center where pass-through entity filed its return: CINCINNATI, OH

8 Tax year of pass-through entity 2004-01-01 to 2004-12-31

9 Your tax year 2004-01-01 to 2004-12-31

Part II Inconsistent or Administrative Adjustment Request (AAR) Items

	(a) Description of inconsistent or administrative adjustment request (AAR) items (see instructions)	(b) Inconsistency is in, or AAR is to correct (check boxes that apply) Amount of item	Treatment of item	(c) Amount as shown on Schedule K-1, Schedule Q, or similar statement, a foreign trust statement, or your return, whichever applies (see instructions)	(d) Amount you are reporting	(e) Difference between (c) and (d)
10	K1 PT II LN N	X		26,140	37,620	11,480
11						
12						
13						

Part III Explanations-Enter the Part II item number before each explanation. If more space is needed, continue your explanations on page 2.

10 ENDING CAP ACCT S/B 37620 SINCE WITHDRAWLS & DISTRIBUTION
ARE OVERSTATED BY 11480

Form **8271**
(Rev. July 1998)
Department of the Treasury
Internal Revenue Service

Investor Reporting of Tax Shelter Registration Number

▶ **Attach to your tax return.**

▶ **If you received this form from a partnership, S corporation, or trust, see instructions.**

OMB No. 1545-0881

Attachment Sequence No. **71**

Investor's name(s) shown on return	Investor's identifying number	Investor's tax year ended
TEST L & MARY B CHARITY	400-00-7521	2004-12-31

	(a) Tax Shelter Name	**(b)** Tax Shelter Registration Number (11-digit number)	**(c)** Tax Shelter Identifying Number
1	SHELTERS, LTD.	APPLIED FOR	564712345
2			
3			
4			
5			
6			
7			
8			
9			
10			

	(b) Applicant Name
1	SAMUEL SHIELDS
2	
3	
4	
5	
6	
7	
8	
9	
10	

Statement Summary

FORM 1040 - LINE 35

2004

STATEMENT 01

Name(s) shown on return: TEST L & MARY B CHARITY

Identifying Number: 400-00-7521

DESCRIPTION	AMOUNT
SUB-PAY TRA	400
CLEAN-FUEL	1,500
TOTAL ADJUSTMENT	1,900

SCHEDULE A LINE 20

STATEMENT 02

DESCRIPTION	AMOUNT
FORM 2106	1,896
FORM 2106	2,580
UNION DUES	75
TOTAL JOB EXPENSES	4,551